ONGC
एमआरपीएल
MRPL

Mangalore Refinery and Petrochemicals Limited

(A Govt. of India Enterprise and A Subsidiary of ONGC Ltd.)

INVESTING IN A SUSTAINABLE TOMORROW

32ND

ANNUAL REPORT 2019-20

Mangalore Refinery and Petrochemicals Limited

(A Government of India Enterprise and Subsidiary of ONGC)

CIN : L23209KA1988GOI008959

Website : www.mrpl.co.in E-mail: investor@mrpl.co.in

CONTENTS ....PAGE NO

COMPANY SECRETARY

Shri Dinesh Mishra

JOINT STATUTORY AUDITORS

M/s. Manohar Chowdhary & Associates,
Chartered Accountants, Mangaluru
M/s. S Venkatram &Co LLP,
Chartered Accountants, Chennai

COST AUDITORS

M/s Chandra Wadhwa & Co,
Cost Accountants, Delhi

SECRETARIAL AUDITORS

M/s Kumar Naresh Sinha & Associates,
Practicing Company Secretaries, Noida

REGISTERED OFFICE AND INVESTOR RELATION CELL:

Mudapadav, Post. Kuthethoor, Via Katipalla
Mangaluru- 575030, Karnataka
Tel. No.: 0824-2270400 Fax No.: 0824-2273300
E-mail : investor@mrpl.co.in

INVESTOR RELATION CELL:

DELHI :

SCOPE COMPLEX7th Floor, Core-8, Lodhi Road
NewDelhi – 110003 Tel : 011-24306400 Fax : 011- 24361744

MUMBAI :

Maker Towers, ' E ' Wing, 15th Floor, Cuffe Parade,
Mumbai - 400005 Tel : 022-22173000 Fax : 022-22173233

BENGALURU:

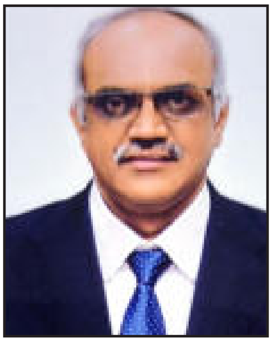
Plot A-1, Opp KSSIDC A.O. Building, Industrial Estate, Rajajinagar,
Bengaluru – 560010 (Karnataka)Tel : 080-22642200 Fax : 080-23505501

REGISTRARS & SHARE TRANSFER AGENT

M/s. LINK INTIME INDIA PVT.LTD

C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai- 400 083
Tel.: 022-49186270 Fax No.: 022-49186060
E-mail: mrplirc@linkintime.co.in

Shri Shashi Shanker
Chairman



Shri M Venkatesh
Managing Director

Smt. Pomila Jaspal
Director (Finance)

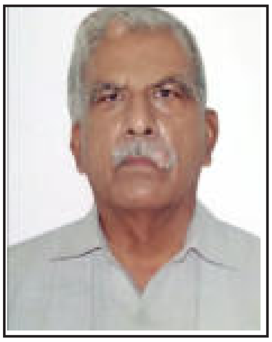
Shri Sanjay Varma
Director (Refinery)

Shri Subhash Kumar
ONGC Nominee Director

Shri Vinod S. Shenoy
HPCL Nominee Director

Shri Sunil Kumar
Government Nominee Director

Shri G. K. Patel
Independent Director



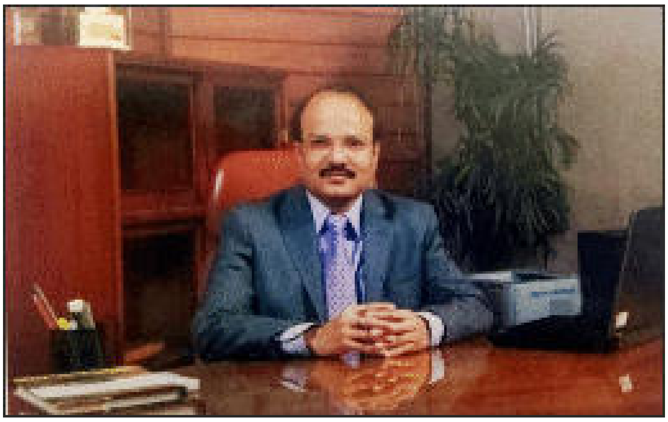
Shri Balbir Singh
Independent Director

Shri Sewa Ram
Independent Director

Shri V P Haran
Independent Director

Shri R. T. Agarwal
Independent Director

CHAIRMAN'S MESSAGE TO STAKEHOLDERS



Dear Stakeholders,

I present the 32nd Annual Report for the year 2019-20 to our valued shareholders and also present few highlights for the year's performance.

The past year was an extremely challenging year for the entire oil industry including your Company. MRPL witnessed a significant drop in crude oil prices, unprecedented water scarcity and a minor landslide causing disruption in operations. During the first quarter of operation, the refinery complex faced unprecedented water scarcity affecting plant operations for a month and half. In the second quarter, the refinery complex was affected by a minor landslide as an aftermath of the intensified monsoon in Dakshina Kannada District. During the fourth quarter of the operation, the outbreak of the COVID-19 pandemic globally impacted the business of the Company.

Until the onslaught of COVID-19, world was facing policy uncertainty, trade conflicts and protectionist policies which were undermining investments, jobs and incomes. COVID -19 pandemic across the world has resulted in rapid deceleration of growth globally. The COVID impact on product margins started from January, 2020 and the slowdown of demand started from March, 2020 and impacted the entire Q4 of the FY 2019-20. This is an on-going pandemic that has had a major impact globally. MRPL has been impacted on account of reduction in Demand, depression in Prices and Pressure on Liquidity. In-spite of such challenging situations your Company has sustained its operations. I would like to present before you, few highlights for the year 2019-20:

Financial Performance

- Your Company achieved a turnover of ₹ 60,728 crore during the financial year 2019-20 as against a turnover of ₹ 72,283 crore during the previous financial year 2018-19.
- Your Company incurred a loss of ₹ 2,708 crore during the financial year 2019-20 as against a profit of ₹ 332 crore for the financial year 2018-19.
- The Gross Refining Margin (GRM) for financial year 2019-20 was (0.23) $/bbl as against 4.06$/bbl during the financial year 2018-19.
- Highest Crude throughput of 1,428 TMT was achieved in the Monsoon Month of July, 2019. (Previous Highest was 1403 TMT in the Month of July, 2017)
- Company secured the highest credit rating from CRISIL, ICRA and CARE which indicates the highest degree of Strength with regard to honouring debts obligations.
- Liquidity position of Company remains sound and good. Company has committed line of credit for both fund based and non-fund based from its empaneled Consortium Bankers as well as outside to honour its commitments so as to come out of the COVID-19 pandemic in a reasonable period of time. Company has met all its financial commitment on its due date.

Physical Performance

- Your Company processed 13.95 MMT of Crude during the FY 2019-20, as against the previous highest crude processing of 16.23 MMT during FY 2018-19. Total input to the refinery was 14.14 MMT as against the previous highest of 16.43 MMT during FY 2018-19.
- India has committed to the global initiative for sustainable development. Increasing energy efficiency is one of the key targets under the Paris accord. Your company too has taken energy efficiency extremely seriously and your company achieved its lowest ever energy intensity (best ever energy efficiency). The refinery achieved Mean Barrel No (MBN) of 75.33 MMBTU/BBL/NRGF.

Safety

- Your Company continues to have a sharp focus of safety and has achieved 1,390 cumulative accident free days as on 31/03/2020. It has also achieved 13.032 million man hours worked in the year 2019-20 as against 13.67 million man hours worked during the previous financial year.
- Several awareness programs were undertaken in the refinery to ensure safety of people, process and assets. Your Company is committed towards providing a healthy and safe work environment to employees, contractors and all the visitors to the

Refinery by adopting the best industry practices. Robust systems and standards have been built for continuously reducing the risks in the refinery associated with Health, Safety and Environment (HSE).

- Innovative approaches to safety like tool-box talk and buddy system have been implemented with a view to further improving safety performance.

Direct Marketing

- Your Company continues to ramp up marketing of its products in order to achieve better value for its products.
- The total direct domestic sales volume of all products during the FY 2019-20 has been 1702 TMT with a sales value of ₹ 5,568 crore which is about 31% less than previous year sales value of ₹ 8,034 crore.
- Your Company continues to enhance its market share for polypropylene with introduction of new and niche grades. The Company manufactured 310 TMT of Polypropylene and saw the sales of ₹ 2,562 Crore in FY 2019-20 compared to the previous year sales of ₹ 4,180 crore.
- MRPL expects to extend its retail presence by adding 50 new outlets every year for the next 5 years in the states of Karnataka, Kerala and Goa. MRPL retail presence will be further expanded to Tamil Nadu, Andhra Pradesh and Telangana in the long term.

Employee Relations

- Your Company holds its employees in the highest esteem and accordingly follows the best HR practices, reviews them periodically and strives to further improve upon that. As a result, the employee relations continues to be cordial and harmonious. As in the past years, this year too I am happy to report that not a single man-hour was lost on account of any industrial disturbance in the year 2019-20.

Environment, Social Responsibility and Sustainable Development

- Your Company had successfully commissioned the largest solar power project located inside the refinery in the country during the last year. The solar plant is fully operational and during the financial year power equivalent to 8.29 million units has been generated thus demonstrating commitment towards sustainable development and reduction in carbon emissions.
- Your Company is establishing a biodiversity park in about 41 acres of marshy land. In this process, MRPL has entered into an MOU with Dr. Shivarama Karantha Pilikula Nisarga Dhama, the domain experts in this subject. The cost of this project is approximately ₹ 14 crores. In this process, the marshy land will be converted into a full-fledged bio diversity park which will contain native tree species which will help in attracting Birds, Insects, etc. This will also contain aquatic plants which will help in increasing the diversity of fishy and other aquatic animals.
- Your Company has bagged the prestigious **'Annual Genentech Environment Award'** for outstanding achievement in Environment Management second time in a row. Your Company was also awarded **'Unnatha Suraksha Puraskar Award 2019'** by National Safety Council, Karnataka Chapter.
- MRPL celebrated various environment awareness programs amongst citizens of Mangalore through various outreach programs viz. partnering with schools, colleges and other agencies in addition to the District Administration.
- As part of its Corporate Social Responsibility, your Company focused in the areas of rural transformation, health, education, sanitation and has taken up programme that benefit the communities in and around its operational area thereby enhancing the quality of life and economic well-being of local populace over a period of time.
- MRPL Hospital with 24x7 manning of Doctors and trained Nursing Staff and a panel of various specialist Consultants is open to residents of the nearby villages.
- Periodic Environment Awareness programs are organized in association with Karnataka State Pollution Control Board (KSPCB) in the neighboring village school on the topic; ill effects of noise & air pollution and sensitization programme on phasing out use of single-use plastic item etc.

I would like to place on record my sincere appreciation to the Board of Directors for their expertise and guidance. On behalf of the Board, I would also like to express my gratitude to all our stakeholders for their continued support, patronage, trust and confidence.

(**Shashi Shanker**)
Chairman

Place : New Delhi
Date : 14/08/2020

VISION AND MISSION

VISION

To be a world-class Refining and Petrochemicals Company, with a strong emphasis on Productivity, Customer Satisfaction, Safety, Health and Environment Management, Corporate Social Responsibility and Care for Employees.

MISSION

- Sustain Leadership in energy conservation, efficiency, productivity and innovation.
- Capitalise on emerging opportunities in the domestic and international market.
- Strive to meet customers' requirements to their satisfaction.
- Maintain global standards in health, safety and environmental norms with a strong commitment towards community welfare.
- Continuing focus on employee welfare and employee relations.
- Imbibe highest standards of business ethics and values.

Constitution Day Celebration

Inauguration of Computer Lab at DNPG College, Gulaothi, Uttar Pradesh

57th HR Summit of Oil and Gas PSUs organized by MRPL at TMA Pai Convention Centre, Mangaluru on 12th, 13th and 14th September, 2019.

Walkathon as part of Vigilance Awareness

Strategy Meet at Mysore

BOARD'S REPORT

Dear Members,

It gives me immense pleasure to present the 32nd Report on behalf of your Board of Directors on the business and operations of the Company and to share with you the highlights, developments and the progress that your Company has made during the financial year ended March 31, 2020 and its Audited Financial Statements together with the Auditors' Report and comments on the financial statements by the Comptroller and Auditor General (CAG) of India.

STATE OF COMPANY'S AFFAIRS

Your Board is reporting the affairs of the Company for the FY 2019-20 as under:

Financial Performance

The standalone / consolidated financial highlights for the year ended 31/03/2020 are summarized below:

(₹ In Crore)

	Standalone		Consolidated	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
PROFIT BEFORE TAX	**(3,955.43)**	**580.77**	**(5,398.40)**	**651.37**
Less: Current Tax	103.74	135.54	103.74	135.54
Deferred Tax	(1,351.52)	113.28	(1,463.01)	164.57
PROFIT FOR THE YEAR	**(2,707.65)**	**331.95**	**(4,039.13)**	**351.26**
Add: Other Comprehensive Income	(8.57)	(4.52)	(8.87)	(5.95)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**(2,716.22)**	**327.43**	**(4,048.00)**	**345.31**
Less: Total Comprehensive Income Attributable to Non-Controlling Interest	-	-	(686.35)	10.53
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO OWNERS OF THE COMPANY	**(2,716.22)**	**327.43**	**(3,361.65)**	**334.78**
Add: Opening Balance in Profit and Loss Account	8,492.71	8,799.13	7,690.96	8,001.72
SUB-TOTAL	**5,776.49**	**9,126.56**	**4,329.31**	**8,336.50**
LESS: APPROPRIATION				
Transferred to / from Debenture Redemption Reserve	-	-	(11.69)	11.69
Payment of Dividend on Equity Shares	175.26	525.78	175.26	525.78
Tax on Dividend	36.03	108.07	36.03	108.07
CLOSING BALANCE (INCLUDING OTHER COMPREHENSIVE INCOME)	**5,565.20**	**8,492.71**	**4,129.71**	**7,690.96**

Your company achieved a turnover of ₹ 60,728 crore during the financial year 2019-20 as against ₹ 72,283 crore during the financial year 2018-19. The company incurred a loss after tax of ₹ 2,708 crore during the financial year 2019-20 against profit of ₹332 crore earned during the financial year 2018-19. The Gross Refining Margin (GRM) for financial year 2019-20 was (0.23) $/bbl as against 4.06 $/bbl during the financial year 2018-19. The major reasons for negative GRM were Force majeure related to water shortages and associated reasons during First Quarter, Pipe rack damage and associated reasons during Second Quarter and COVID-19 and associated reasons during Fourth Quarter.

During the FY 2019-20, the Company has issued Non-convertible Debentures (NCDs) aggregating

₹2,560 Crore. The NCDs are listed on BSE Limited and National Stock Exchange of India Limited.

ICRA has reaffirmed the long-term rating of [ICRA] AAA (pronounced ICRA triple A) and the short-term rating of [ICRA] A1+ (pronounced ICRA A one plus) on the ₹ 13,971.40 Crore bank facilities and also reaffirmed the rating of "[ICRA]A1+" (pronounced ICRA A one plus) for ₹900 Crore Commercial Paper (CP) / Short Term Debt (STD) programme. ICRA has also assigned rating of [ICRA]AAA (pronounced as ICRA triple A) for the ₹ 3,000 Crore Non Convertible Debenture (NCD) Programme of Mangalore Refinery and Petrochemicals Limited.

CRISIL has assigned "CRISIL AAA/Stable" (pronounced "CRISIL triple A rating with stable outlook") for the ₹3,000 Crore Non-Convertible Debenture of Mangalore Refinery and Petrochemicals Limited and also reaffirmed its Corporate Credit Rating (CCR) 'CCR AAA/Stable' on Mangalore Refinery and Petrochemicals Limited (MRPL).

OPERATIONAL PERFORMANCE

Some of the major highlights for the year 2019-20 are as under:

- Your company processed 13.95 MMT of Crude during Financial year 2019-20, against the previous highest crude processing of 16.23 MMT in Financial Year 2018-19. Total input to the refinery was 14.14 MMT against previous highest of 16.43 MMT during financial year 2018-19.
- MBN for the FY 2019-20 was 75.33 MMBTU/BBL/NRGF.
- MRPL Started producing BS VI MS & HSD from September, 2019 onwards. (All Domestic batches of MS and HSD were certified with Sulphur less than 10 PPM from 21st & 26th September, 2019 onwards respectively.)
- Cabinda Crude from Angola (API 32.8) and Thunder horse crude (API- 33.46) from USA were processed for the first time.
- HSD 0.001%S, MFO 1%S and MFO-0.5%S grades were exported for the first time.
- MRPL received Crude from ISPRL Mangalore Cavern for the first time during the month of August, 2019.
- Crude loading operation from ISPRL, through SPM was carried out for the first time in the month of December.
- Highest Crude Throughput of 1428 TMT achieved in the Monsoon Month of July, 2019. (Previous Highest was 1403 TMT in the Month of July, 2017)
- MS 92 RON Export of 35 TMT Parcel size was dispatched for the first time in the month of December, 2019.
- Force Majeure Condition declared on 10th May, 2019 due to acute water scarcity / drought in Dakshina Kannada District.
- Phase-III process units of the refinery was shut down on 18th August, 2019 onwards due to a minor landslide as an aftermath of the intensified monsoon in Dakshina Kannada District, because of which a small section of the pipe rack tilted in the refinery complex leading to structural instability.
- Nationwide Lockdown imposed on 25/03/2020 due to the effect of COVID-19 pandemic, resulted in lower off take of refinery products, leading to partial shutdown of refinery complex on 26/03/2020.

MARKETING AND BUSINESS DEVELOPMENT

Your company continues to maintain major share of the direct sales segment of petroleum products market in Karnataka and adjoining states. Your Company maintained leadership position in its marketing zone for all direct sales products such as Bitumen, Diesel, Sulphur, Petcoke, ATF, Polypropylene, Xylol (Xylenes) etc. The total domestic sales volume of all products during FY 2019-20 has been 1702 TMT with a sales value of ₹ 5,568 Crores.

Your Company continues to enhance its market share for Polypropylene with introduction of new and niche grades. The company has made in–roads in new geographical areas with sales value in FY 2019-20 of ₹2,562 Crores. The company has maintained its leadership position in the Polypropylene market of South India for its MANGPOL brand. Your Company in its continuous efforts to strengthen its Polypropylene Marketing, had expanded its grade basket by stabilizing PP Yarn Grade (35 MI) which is used in medical applications in manufacturing of masks & PPE .Your company has supported the nation's fight against COVID pandemic by maximizing the sale of PP Yarn Grade (35 MI) during February and March, 2020.

Your Company has also successfully marketed its entire production of Petcoke on consistent basis with a sales volume of 813 TMT. Company also sold about 131 TMT Sulphur in its marketing zone and the surplus Sulphur is being exported in larger parcel sizes.

Your Company Shell MRPL Aviation Fuel and Services Limited has steadily acquired business for sale of Aviation Turbine Fuel (ATF) at Indian airports. The company achieved a turnover of ₹ 823.58 Crores during FY 2019-20 against turnover of ₹ 718.99 Crores in the previous FY 2018-19.

Your company's retail foray through advertisement in May, 2019 has been well received. MRPL expects to expand its retail presence by adding 50 new retail outlets every year for the next 5 years in the states of Karnataka, Kerala and Goa. MRPL retail presence will be further expanded to Tamil Nadu, Andhra Pradesh and Telangana in the long term.

RECOGNITIONS

1. "TOP EXPORTER" award from Commissioner of Customs, Mangalore.
2. "Award of Excellence" in recognition of timely compliance to the TDS/TCS provisions of the Income Tax Act, 1961.
3. 'Unnatha Suraksha Puraskara' from National Safety Council.
4. Dun & Bradstreet PSU Award for being the Best Miniratna in 'Manufacturing, Processing and Generation' category.
5. 19th Annual "Greentech Award" 2019.
6. "SCOPE CC Excellence Award" -2nd prize for 'Best In-house Journal - English'.
7. First Prize under 'large enterprises' for Hindi Implementation during 2018-19 by Town Official Language Implementation Committee(TOLIC) .
8. Security Project Award of the Year from SECONA (Security Consultants Association).
9. MRPL wins Boiler Safety award at State level during 48th National safety day-2019.

PROCUREMENT OF GOODS AND SERVICES FROM MSMEs

In line with the Public Procurement Policy 2012, issued by Ministry of Micro, Small and Medium Enterprises for the year 2019-20, your Company has achieved 33.69% procurement of goods and services from Micro and Small Enterprises.

PROJECTS

BS VI upgradation

As per Auto Fuel Policy and directives from Ministry of Petroleum and Natural Gas (MoP&NG), the entire country has to move towards BS-VI quality specifications for MS and HSD w.e.f 01/04/2020. The project involves setting up of new units and additional facilities. M/s. Engineers India Ltd is the Engineering, Procurement and Construction Management Consultant for the job. Activities towards Mechanical Completion are in an advanced stage. However, suspension of project activities from 22/03/2020 as per Government directives to check spread of Covid-19 has had a major impact on Mechanical Completion which is now scheduled in third quarter of FY 2020-21.

Desalination Plant

To mitigate the risk of river water as a single source of water, a desalination plant is being set up near the sea. This plant of current capacity 30 MLD (expandable to 70 MLD) will cater to the future water requirement of the refinery. M/s Fichtner India is the PMC for the project and M/s VA Tech Wabag is the LSTK contractor. The plant was scheduled to be completed by third quarter of FY 2020-21. However, suspension of project activities by the contractor with effect from 21/03/2020 as per Government directives to check spread of Covid-19 has had a major impact on Mechanical Completion which is now scheduled in fourth quarter of FY 2020-21.

Truck Loading and Railway Siding facilities for Pet Coke evacuation

Truck loading facility was completed on 15/04/2019. This facility allows higher flexibility in marketing of Pet Coke and to mitigate environmental impact of concentrated loading. In addition to this facility, Railways Siding project was conceived to take advantage of dispatches by Railway Wagons which will make MRPL products conveniently available in competitive markets thereby improving commercial realisation to MRPL and the same was completed on 10/05/2019.

2G Ethanol

MRPL has been informed by MoP&NG to set up a 2G ethanol plant in the state of Karnataka. We are exploring various technologies for producing 2G Ethanol. Land for the same is allotted by KIADB at Harihara, Davangere.

Development on Information Technology, Software and Hardware

Digital Transformation initiatives and the proliferation of next generation applications requires new infrastructure to support organizational demands. With this point of view MRPL has successfully carried out the technical migration of its ERP and its related hardware infrastructure. In addition to replacement of End of Life Hardware infrastructure, MRPL adopted the SAP ECC Business Suite on HANA Database (SoH) approach for carrying the database migration exercise to SAP HANA. This has helped business achieve better performance and any new upcoming SAP ERP versions would be compatible with the new infrastructure and Database platform.

On the IT security front, MRPL has been awarded the ISO-27001:2013 certification for MRPL SAP Data Center and Disaster Recovery Center. ISO 27001:2013 is the international standard that provides a framework for Information Security Management Systems (ISMS) to provide continued confidentiality, integrity and availability of information. The standard describes best practices for an Information Security Management System (ISMS) and helps organizations improve their security, comply with cyber security regulations, and protect and enhance their reputation.

MRPL has always emphasized the need to bring in effectiveness and transparency in its business process and delivery mechanism. In order to achieve the said objective, MRPL has successfully implemented the E-Office system. It is a digital workplace solution that replaces the existing manual handling of files and documents with efficient electronic system. The solution seeks to achieve a set of objectives like increasing efficiency & effectiveness of the processes, employee productivity and efficient management of data, documents, files, information & knowledge etc within MRPL for better communication & co-ordination among departments.

SECRETARIAL STANDARDS

The Secretarial Auditor has certified that your Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, during the financial year 2019-20.

HEALTH, SAFETY & ENVIRONMENT PERFORMANCE

The company's Philosophy on the HSE is to perform better than minimum required by statutes. The major achievements on the Environment Management front include:

Environment Management

- CRZ Clearance obtained from Ministry of Environment, Forest & Climate Change (MoEF&CC), New Delhi for setting up of proposed 70 MLD Desalination Plant at Tanneerbavi village in Mangaluru.
- Public hearing conducted at Davangere project site for proposed 2G Ethanol project on 9th July, 2019.
- Terms of Reference (ToR) granted by Ministry of Environment, Forest & Climate Change (MoEF&CC), New Delhi for proposed Petchem Addition and Capacity Expansion (PACE) project.
- Consent for Establishment (CFE) received from Karnataka State Pollution Control Board (KSPCB) for proposed Desalination Plant and CISF Township Expansion Project.
- Saplings are developed at Pilikula Nisarga Dhama nursery for plantation in 20 acres land of Biodiversity Park during the forthcoming monsoon.
- Civil work for construction of Vermi Compost facility near Township gate commenced.
- MRPL was conferred with the Annual Greentech Environment Award 2019 for outstanding achievement in Environment Management. MRPL bagged this prestigious award for the second time in a row.
- MRPL was awarded Unnatha Suraksha Puraskar Award 2019 by National Safety Council, Karnataka Chapter.
- 1489 MT of Oily sludge, 975 MT of PFCC Spent catalyst, 70 MT of Spent Clay, 416 MT of Waste Insulation was disposed for Co-processing in SPCB Authorized Cement Industries.

- 455 MT of Spent Catalyst and 134 MT of Spent Carbon were disposed to SPCB Authorized Recyclers/ Reprocessors.
- 4.97 MT of E-Waste (Fused Lamps - Category CEEW 5) was disposed to SPCB Authorized Recyclers.
- 10.85 MT of PPU Treated Waste White Oil is disposed to SPCB Authorized Incineration Facility.
- 45,13,709 kilolitres of Tertiary treated Municipal Sewage Water form Mangalore City was utilized in MRPL during FY 19-20.
- Periodic Environment Awareness programs were organized in association with Karnataka State Pollution Control Board (KSPCB) in the neighboring village schools on the topics of ill effects of noise & air pollution by fire crackers during Diwali festival and sensitization programme on Phasing out use of single-use plastic item etc.

Safety

- In case of MRPL employees, 1390 days without Reportable Lost Time Injuries (RLTI) achieved as on 31/03/2020 and 10 days without RLTI in case of contract workers as on 31/03/2020.
- 13.032 Million Man Hrs worked as on 31/03/2020.
- Fire & Safety training imparted to all the employees including contract work force.

Occupational Health

- Annual Medical Checkup of employees was carried out in three categories in compliance with the Rules under Factories Act and Karnataka Factories Rules. One below 40 years of age, second for age group between 40 to 45 years and third for age group for 45 years and above. Different groups have to undergo different medical tests such as Tread Mill Test, etc. Hearing Loss test was conducted for the employees working in high noise areas . Lung Function Test, Colour Blindness Test, Blood Test, etc are some of the general tests conducted for the employees.
- Two Occupational Health Centers (OHC) with 24x7 availability of Medical Staff are functional.
- The services of MRPL Hospital is available not only for the employees and their dependents but also for neighboring villages.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY DEVELOPMENT

Corporate Social Responsibility

MRPL's social welfare and community development initiatives focus on the key areas of education, health care & sanitation and overall development of basic infrastructure in and around its operational area/ Dakshina Kannada & Udupi District/Karnataka State. These projects are largely in accordance with Schedule VII of the Companies Act, 2013.

The key objectives of the MRPL's CSR Policy is to ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.

The Company has identified following focus areas for CSR engagement:

1. Shiksha Samrakshan
2. Arogya Samrakshan
3. Bahujan Samrakshan
4. Prakrithi Samrakshan
5. Sanskrithi Samrakshan

The CSR & SD Policy may be accessed on the Company's website at http://www.mrpl.co.in/csr. The Annual Report on CSR activities for FY 2019-20 is annexed herewith as **"Annexure-A"**

SUSTAINABILITY DEVELOPMENT

- Your company has been pursuing projects related to carbon management through energy conservation, improving the energy efficiency in its processes, use of renewable energy, water management project to reduce fresh water consumption by recycling /use of treated effluent and waste management through reduce, reuse and recycle initiatives. Some of the special initiatives undertaken are as mentioned below:
- Your company is establishing a biodiversity park in about 41 acres of marshy land. In this process MRPL has entered into an MOU with Dr. Shivarama Karantha Pilikula Nisarga Dhama, the domain experts in this subject. The process of establishing this park will take approximately 60 months and it is expected to be developed completely by the year 2024. The cost of this project is approximately ₹ 14 crores. In this process, the marshy land will be converted into a full-fledged bio diversity park containing native tree species which would help in attracting birds, insects, etc. This would also contain aquatic plants therby increasing the diversity of fishes and other aquatic animals.
- Your company is also establishing a vermi compost production facility inside its premises for converting plant/tree wastes like leaves, branches, etc. into compost which shall be used as manure in its horticulture activities and green belt development. For this, it is spending approximately ₹ 1.5 crores to produce 5-6 tonnes of vermi compost (approximately) every year. This will help in reducing our dependency on inorganic fertilizer which is presently being used. The first batch of vermi compost is expected to be produced in the last quarter of 2020.
- Your company, in another novel initiative, has tied up with Karnataka State Pollution Control Board (KSPCB) and Dr. Shivarama Karantha Pilikula Nisarga Dhama (Dr. SKPND) to establish an Urban Eco park at Pilikula which will educate the general public with regards to the various measures being taken up by the industry in protecting the environment by elaborating the various technologies being deployed in sustainable refinery operations. It will be an initiative which will be one of its kind in the country. This will help in increasing the awareness to the public in understanding the role of industries in nation building. For this purpose MRPL will be entering into an MOU with KSPCB and Dr. SKPND shortly with a total contribution expected to be around ₹ 4 crores.
- All these initiatives will help your company in providing a cleaner energy solution in a responsible manner which will balance the short term and long term interests and it will integrate social, economic and environmental considerations. This will help to sustain our business in a safe, efficient and responsible manner.

PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE

The details on the performance and financial position of Subsidiary, Associate and Joint Venture Companies are given in Management Discussion and Analysis (MDA) Report. Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule (5) of the Companies (Accounts) Rules, 2014, a statement on the performance and financial position of the subsidiary and Joint Venture Companies is provided as an Annexure to the Consolidated Financial Statements.

In accordance with the provisions of the SEBI guidelines, the Company has framed a policy for determining material subsidiaries that can be accessed on the Company's website.

Your company has one subsidiary i.e. ONGC Mangalore Petrochemicals Limited (OMPL). As per the Material Subsidiary Policy, OMPL is not a material subsidiary of the Company, applying the test of materiality for the FY 2019-20.

ANNUAL REPORT OF SUBSIDIARY AND CONSOLIDATED FINANCIAL STATEMENT

The Audited Consolidated financial statements for the year ended 31st March, 2020 of the Company and its subsidiaries form part of the Annual Report in accordance with Section 129 of the Companies Act, 2013 and Ind AS 110 on "Consolidated Financial Statements" read with Ind AS 28 on "Investments in Associates and Joint Ventures". In accordance with section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of the subsidiary Company are available on the Company's website. These documents will also be available for inspection during business hours at the registered office of the Company at Mangalore.

INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED STANDARDS

The Ministry of Corporate Affairs (MCA) on February 16, 2015, notified that Indian Accounting Standards (Ind AS) are applicable to certain classes of companies from April 1, 2016 with a transition date of April 1, 2015. Ind AS has replaced the previous Indian GAAP prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and are applicable to the Company from April 1, 2016.

TRANSFER TO RESERVES

No amount has been transferred to General Reserves for the financial year 2019-20.

DIVIDEND

In view of the losses, your Directors express their inability to recommend any dividend for the FY 2019-20. The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is uploaded on the Company's website www.mrpl.co.in.

DEPOSITS

Your company has not accepted any deposits during the year pursuant to Section 74 of the Companies Act, 2013 and Rules there under.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There have been no loans / guarantees given or securities provided during FY 2019-20 under the provisions of Section 185 / 186 of the Companies Act, 2013. The details of investments covered under the provisions of Section 186 of the Act are given in notes to financial statements provided in this Annual Report.

SHARE CAPITAL

The company has not issued any shares during FY 2019-20. The Issued, Subscribed and Paid up Equity Share Capital of your Company as on 31/03/2020 was ₹ 1,753 Crore.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT

There has been no change in the nature of business during the year. No material changes or commitments have occurred after close of the year till date of this report which affects the financial position of the Company. However, the continuing lock down and the consequent demand depression affecting the financials of the company remains a major concern for the Company.

HUMAN RESOURCES

Your company values its human resources the most. To keep their morale high, your company extends several welfare benefits to the employees and their families by way of compensative medical care, education, housing and social security. During the financial year 2019-20, various welfare related policies have been implemented by the Company for its employees.

The Company maintains an MRPL Employees Recreation Centre. The Centre offers a wide range of pastime activities for the employees and their dependents.

Your Company continues to enjoy cordial and harmonious relations and not a single man-hour was lost on account of any industrial disturbance during the year 2019-20. Wage negotiations for unionized employees are in the advanced stage of finalization.

The welfare policies of the company are being revised consistent with the industry policies so as to enable employees to get enhanced benefits.

Reporting on SC / ST / PWD

Presidential Directives and other guidelines issued by Department of Public Enterprises, Ministry of Petroleum & Natural Gas, Ministry of Social Justice and empowerment from time to time with regard to reservation in services for Scheduled Castes, Scheduled Tribes, other backward castes and Persons with disabilities have been complied with. An adequate monitoring mechanism has been put in place for sustained and effective compliance. Liaison officers are appointed to ensure implementation of the Government Directives. Reservation Rosters are maintained as per the directives and are regularly inspected by the Liaison officer of the company as well as the officials from MoP&NG to ensure proper compliance of the Directives. MRPL also complies with provisions under "The Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 relating to providing employment opportunities for Persons with Disabilities (PWDs). As on 31/03/2020, there are 31 permanent employees with disabilities on the roll of MRPL.

During the financial year 2019-20, company has recruited 20 employees including 2 Scheduled Caste (SC) and 3 Scheduled Tribe (ST) employees and 1 employee belonging to Persons with Disability category and 4 employee.

During the Year 2019-20, the Company devoted 5265 Mandays for training, development and learning, which amounts to 3.21 Mandays per employee for Management staff and 2.30 Mandays per employee for Non-Management staff.

In accordance with para-29 of the Presidential Directive, statistics relating to representation of SCs / STs in the prescribed performa, SC / ST/ OBC Report – I and SC / ST / OBC Report –II are attached as **'Annexure – B'** to the report.

Skill Development Center:

As part of National Skill Development Mission, Govt. of India, MRPL has undertaken skill development initiatives. MRPL has partnered with NTTF Bangalore & CIPET Mysore which are affiliated to National Skill Development Council (NSDC). So far 135 candidates have completed training at NTTF, Bangalore. Out of 135 candidates who have completed training at NTTF, Bangalore, 100 candidates have been placed in various industries. Balance are either pursuing higher skill set have started their own business or have gone abroad. Training is in progress for 87 candidates at NTTF, Bangalore & 42 candidates at CIPET, Mysore.

WOMEN EMPOWERMENT

Women employees constituted 7.23 percent of the Company's workforce.

Your Company has an Internal Complaints Committee (ICC) required under Sexual Harassment of at Workplace (Prevention, Prohibition and Redressal) Act, 2013.One complaint was filed and same is pending and is under investigation as per Rules, during the FY 2019-20. The Annual Report as per section 21 of the Sexual harassment of woman at workplace (Prevention, Prohibition and Redressal) Act, 2013 for the FY 2019-20 is attached as **"Annexure - C"**

OFFICIAL LANGUAGE

Your company is implementing Official Language Policy in letter and spirit as per the Annual Programme prescribed by the Department of Official Language, Ministry of Home Affairs, Govt. of India. In order to propagate and promote Hindi among the employees, Hindi Workshops were organized on a regular basis at Mangalore, Mumbai, Delhi & Bangalore Offices. Inspection of internal departments and subordinate offices were carried out at regular intervals.

Also, Hindi Fortnight was celebrated and many Hindi competitions such as Hindi Gyan competition, Handwriting, Admin. Glossary, Hindi solo song, Hindi dictation etc. were conducted for the employees and their family members in the month of September, 2019. In addition one more Hindi competition (Admin. Glossary) was conducted in January, 2020 for employees. Competitions were held in Hindi language for employees and their family members during National Safety Day, Environment Day, Security awareness week and Vigilance awareness week. Hindi usage is promoted by conducting special quiz competition for senior officers such as CGMs & GGMs during Hindi month celebrations.

Hindi classes were conducted regularly for employees to qualify in Prabodh, Praveen & Pragya examinations. Motivation through Incentive schemes such as Cash award & Personal Pay etc. is provided to employees if they clear the final Hindi examinations. To increase the correspondence in Hindi in the organization Unicode facilities were activated on all computers used for daily office work.

Special awards were given to 11 students of DPS (Delhi Public School) in MRPL Township, who scored highest marks in Class-X Hindi examination.

Your Company participated at Town Official Language Implementation Committee(TOLIC) level Hindi competitions and won ten prizes and stood Second at the TOLIC level competitions. Hindi solo song competition was conducted for employees of TOLIC member organizations at MRPL. Hindi Essay competition was also organized for Degree College students of Mangalore University as a part of Hindi month celebrations under the auspices of TOLIC Mangalore.

In order to propagate and to promote usage of Hindi in the company, in house Hindi Journal namely "MRPL PRATIBIMB" is being annually published. MRPL follows the guidelines on OL (Official Language), and conducted OLIC (Official Language Implementation Committee) meeting during four quarters of the year under chairmanship of MD to review the progress made and chart out further action plan for improving usage of Hindi in MRPL. Your company is making Continuous efforts for promoting Hindi usage in the organization by encouraging employees through trainings, workshops, seminars and incentives.

RIGHT TO INFORMATION ACT, 2005

Your company has put in place an elaborate mechanism to deal with matters related to Right to Information Act, 2005. The company has designated one Nodal Officer based at Registered Office at Mangalore and one First Appellate Authority (FAA), one Central Public Information Officers (CPIO) and Two Assistant Public Information Officers (APIOs) based at Mangalore RTI manual is hosted on the website of the Company as per Section 4(2) of RTI Act. Your company has aligned with the online RTI portal launched by DoPT and all the applications/ appeals received through the portal have been disposed-off through the portal.

The Quarterly Reports / Annual Reports have been submitted through online portal of Central Information Commission www.cic.gov.in within the prescribed time limit. Self Appraisal of information provided under Suo-Moto disclosure under RTI Act was conducted for the year 2019-20 and Transparency audit report was submitted to Central Information Commission on 14th February, 2020 for conducting third party audit.

A total of 228 requests and 27 first appeals were received during the year and all have been disposed off within the stipulated time. No second appeals were filed before the Central Information Commission, New Delhi.

SECURITY MEASURES

Security of MRPL Refinery is designed to comply with Oil Sector Infrastructure Protection Plan (OSIPP) and the Security Audit recommendations given by MHA from time to time.

Physical Protection of the Refinery is handled by Central Industrial Security Force (CISF). They are fully equipped with adequate gadgets and weapons to handle all kinds of security threats to the Refinery. Further augmentation of the strength of the CISF to expand the scope of CISF Security coverage is under progress.

Security is on top of the agenda of your Company and to ensure preparedness, periodic mock drills on workplace security preparedness are conducted. Security Awareness Weeks are organised periodically to promote awareness on security issues among all stake holders.

A major revamp of electronic surveillance of the Refinery through an integrated CCTV cum Electronic Intrusion Detection system has been completed and up gradations of the security systems are done according to the evolving security threat perception.

VIGILANCE FUNCTION

Your company has developed a structured mechanism of vigilance functions. Its practices are focused towards creation of value to stakeholders. The practices involve multi-layer checks and balances to improve transparency. Vigilance awareness and preventive vigilance activities were carried out continuously during the year. Your company has a full time Chief Vigilance Officer, assisted by a dedicated team.

In compliance with CVC instructions, your company has implemented a complaint handling policy in which all complaints received from various sources are recorded and examined by vigilance. The details on the best vigilance practices and links to various useful websites is also provided in the MRPL Corporate website. Your company has achieved highest compliance level with regard to e-procurement, e-tender and e-payment. In line with instructions of CVC, your company had conducted Vigilance Awareness programs for spreading awareness on Integrity. Many awareness activities were designed to touch all walks of life. Vendors meet was conducted as a part of Vigilance Awareness Program in which large number of vendors from different states participated.

Vigilance awareness mobile van with Anti-corruption audio message covered different areas around the Mangalore city to educate the citizens about Integrity. Vigilance awareness walkathon was conducted in which several school students and general public participated to create an ethical awareness among the citizens. Awareness program was conducted at different locations. For popularizing the “Integrity Pledge” developed by central vigilance Commission, MRPL installed integrity pledge kiosk in Mangalore City during Vigilance Awareness Week.

MRPL along with All India Radio, Mangalore jointly produced various vigilance awareness programs including group discussion, recorded messages and jingles in Hindi, English and Kannada which were aired during Vigilance Awareness Week-2019. To inculcate the development of ethics and honesty among school children, a one-day seminar on integrity for children ‘Sanchaya: Chigurininda Phasalinavarege’ was conducted. The students of several schools and colleges participated in large number in the programme. Leveraging the technology to enhance transparency has been a thrust area of action in which vigilance has a catalytic role.

Whistle Blower Policy

The Whistle Blower Policy is formulated to provide a vigil mechanism for Directors and Employees to raise genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy. The Policy provides necessary safeguards for protection of Directors and Employees who avail the vigil mechanism from reprisals or victimization, for whistle blowing in good faith and to provide opportunity to Directors and Employees for Direct access to the Chairperson of the Audit Committee in exceptional cases. The policy is available on the Company’s website. During the year, no complaints were received under Whistle Blower Policy.

The Central Vigilance Commission (CVC) has advised Government organisations to adopt Integrity Pact voluntarily in their major procurement activities.

The Integrity Pact essentially envisages an agreement between the prospective vendors / bidders and the buyer, committing the persons / officials of both sides not to resort to any corrupt practices in any aspect / stage of the contract. Only those vendors / bidders, who commit themselves to such a pact with the buyer, would be considered competent to participate in the bidding process.

The CVC guidelines further advises CPSUs to appoint Independent External Monitors as approved by the CVC to oversee the compliance of obligations under the Integrity Pact.

MRPL has implemented Integrity Pact in compliance with CVC guidelines and as per its recommendation, appointed Shri Pratyush Sinha, Former CVC as Independent External Monitor.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO :

Information required to be disclosed pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo are furnished in **'Annexure- D'** which forms part of this Report.

MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES:

MRPL, being a Government Company, is exempted from the provisions of Section 197(12) of the Companies Act, 2013 and relevant Rules in view of the Notification dated 05/06/2015 issued by Ministry of Corporate Affairs (MCA).

The functional Directors of the Company are appointed by the administrative Ministry i.e. MoP&NG within the framework of DPE guidelines.

EXTRACT OF ANNUAL RETURN :

Information required to be disclosed pursuant to Section 134(3)(a) of the Companies Act, 2013 with respect to the details forming part of the extract of the Annual Return in form MGT-9 are furnished in **'Annexure- E'** which forms part of this Report.

RELATED PARTY TRANSACTIONS & PARTICULARS OF CONTRACTS / ARRANGEMENTS WITH RELATED PARTY :

All transactions entered with related parties during the FY 2019-20 were on arm's length basis and in ordinary course of business. Further, there were no material related party transactions during the year with the Promoters, Directors or Key Managerial Personnel and no related party transactions were made which could have had a potential conflict with interests of the Company at large. The Company has adopted a Related Party policy and procedure, which is available at company's website.

The particulars of every contract or arrangements entered into by the Company with Related Parties referred in Section 188(1) of the Companies Act, 2013, is attached in the prescribed Form No. AOC – 2 as

'Annexure-F'. MCA vide Notification dated 05/06/2015, has exempted the applicability of Section 188(1) of the Companies Act, 2013 for a transaction entered into between two Government Companies.

DIRECTORS & KEY MANAGERIAL PERSONNEL :

Changes in the Board of Directors and Key Managerial Personnel during the financial year 2019-20

MRPL being a Central Public Sector Enterprise (CPSE), Directors on the Board of the company are appointed by the Administrative Ministry i.e. Ministry of Petroleum and Natural Gas (MoP&NG), Government of India and therefore the provisions of Section 134(3)(e) of the Companies Act, 2013 regarding policy on Directors appointment and remuneration shall not apply in view of the MCA notification dated 05/06/2015.

- Shri M Vinayakumar was appointed as Director (Refinery) by MoP&NG on the Board of MRPL w.e.f. 11/07/2019.
- Shri R T Agarwal was appointed as an Independent Director on the Board of MRPL w.e.f. 12/07/2019.
- Smt. Pomila Jaspal was appointed as Additional Director designated as Director (Finance) w.e.f. 15/10/2019.
- Shri Sunil Kumar and Shri Vijay Sharma (Government Nominee) were appointed as Additional Directors on the Board of MRPL on 17/10/2019 and 08/01/2020 respectively.
- Shri K M Mahesh and Shri Sanjay Kumar Jain ceased to be Directors on the board of MRPL w.e.f 17/10/2019 and 08/01/2020.
- Ms. Manjula C and Shri Vivek Mallya, ceased to be Independent Directors on the Board of MRPL w.e.f 31/01/2020 and 30/01/2020 respectively on completion of their tenure.
- Smt Pomila Jaspal, Director (Finance) was appointed as Chief Financial Officer (CFO) of the Company w.e.f. 04/11/2019 in place of Shri S Raviprasad.
- Shri Sunil Kumar, Smt. Pomila Jaspal and Shri Sanjay Varma who have been appointed as Additional Directors on the Board of MRPL to hold office as Additional Directors until the date of Annual General Meeting and being eligible offer themselves for appointment as Directors at the 32nd Annual General Meeting.

The Board places on record its appreciation for the valuable services rendered by the outgoing Directors during their respective tenures.

All Independent Directors have given a declaration that they meet the criteria of independence as laid down under Section 149(6) of Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015.

Changes in the Board of Directors after 31/03/2020

- Shri Sanjay Varma has been appointed as Additional Director designated as Director (Refinery) on the Board of MRPL w.e.f. 09/06/2020 on superannuation of Shri M Vinayakumar w.e.f. 31/05/2020.
- Shri Vijay Sharma vacated the office of Director w.e.f 04/08/2020 due to his repatriation from MoP&NG.

FORMAL ANNUAL EVALUATION:

MRPL, being a Government Company, the provisions of Section 134(3) (p) of the Companies Act, 2013 in respect of annual evaluation of the Board Committees and individual Directors shall not apply in view of the

MCA notification dated 05/06/2015. However, as per Regulation 17 of SEBI (LODR) Regulations, 2015 formal annual evaluation of Independent Directors for the FY 2019-20 had been carried out by the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 134 of the Companies Act, 2013, the Board of Directors of your Company has made the following statement for FY 2019-20:

a) In the preparation of the Annual Financial Statements for the year ended March 31, 2020, the applicable Ind AS have been followed along with proper explanation relating to material departures;

b) The Directors have 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 at the end of the financial year and of the loss of the company for that period;

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

d) The Directors have prepared the Annual Financial Statements on a going concern basis;

e) 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; and

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

NUMBER OF BOARD MEETINGS

The Board of Directors of your Company had six (6) Meetings during the FY 2019-20. The maximum interval between any two meetings did not exceed 120 days as prescribed in the Companies Act, 2013. Details of the Board Meetings held, have been furnished in the Corporate Governance Report which forms part of this Report.

AUDIT COMMITTEE

The Audit Committee has been constituted as per the terms of reference prescribed under Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014, Regulation 18 of SEBI (LODR) Regulation, 2015 and Guidelines on Corporate Governance for Central Public Sector Enterprise issued by Department of Public Enterprise, Government of India. There have been no instances where the recommendations of the Audit Committee were not accepted by the Board of Directors. The details of Audit Committee are disclosed in the Corporate Governance Report which forms part of this Report.

NOMINATION, REMUNERATION (NR) AND HUMAN RESOURCE MANGAGEMNT (HRM) COMMITTEE :

MRPL being a Central Public Sector Enterprise (CPSE), Directors on the Board of the company are appointed by the Administrative Ministry i.e. Ministry of Petroleum and Natural Gas (MoP&NG), Government of India. Accordingly, the Company has not adopted any Nomination/Remuneration policy.

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015 and DPE guidelines on Corporate Governance for CPSE, your Company has constituted a Nomination/ Remuneration Committee.

The details on the Nomination Remuneration and HRM/ NRC are disclosed in Corporate Governance Report which forms part of this report.

MRPL is a 'Schedule-A' Category-1 Miniratna Central Public Sector Enterprise (CPSE). The appointment, terms, conditions and remuneration of Managing Director and Functional Directors (Whole-time Directors) are fixed by the Department of Public Enterprises (DPE), Govt. of India.

RISK MANAGEMENT POLICY :

In line with the requirements of SEBI (LODR) Regulations, 2015, your Company has developed and rolled out a comprehensive Enterprise-wide Risk Management (ERM) Policy throughout the organization. The Audit Committee periodically reviews the risk assessment and mitigation actions in MRPL.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS :

There are no significant and material orders passed by the Regulators/ Courts/ Tribunals that would impact the going concern status of the Company and its future operations.

CORPORATE GOVERNANCE :

The Companies Act, 2013 and SEBI (LODR) Regulations, 2015 have strengthened the governance regime in the country. Your Company is in compliance with the governance requirements provided under the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and has complied with all the mandatory provisions of Companies Act, 2013 and Rules made there under, SEBI Listing Regulation, 2015 relating to the Corporate Governance requirements and mandatory guidelines on Corporate Governance for CPSEs issued by DPE, Government of India. The Corporate Governance Report for the FY 2019-20 forms part of this Report.

Pursuant to Schedule V of the SEBI (LODR) Regulations, 2015, the Auditors' certificate on compliance of conditions of Corporate Governance also forms part of the Annual report. The Auditors have made observations on the appointment of Independent Directors on the Board of the Company for the part of FY 2019-20 and composition of Risk Management Committee(RMC) for part of the year from 01/04/2020 to 15/10/2020. Presently, there are 5 Independent Directors on the Board of your Company. The matter for appointment of requisite number of independent Directors is being persued with MoP&NG and the same is under active consideration of MoP&NG. As regards the composition of RMC, the additional charge of Director(Finace) and Director (Refinery) was held by Managing Director till the appointment of Director (Finance) and Director (Refinery) on the Board of the Company.

Pursuant to requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, following policies/codes have been formulated and uploaded on the Company's website at www.mrpl.co.in

a) Code of Conduct for Board Members and Senior Management Personnel;

b) Whistle Blower Policy;

c) Related Party Transactions – Policy and Procedures;

d) CSR & SD Policy;

e) Material Subsidiary Policy;

f) The Code of Internal Procedures and Conduct for prohibition of Insider Trading in Dealing with the securities of MRPL;

g) Policy on Materiality for disclosure of events to the Stock Exchanges;

h) Policy on preservation of Documents;

i) Training Policy for Board of Directors;

j) Dividend Distribution Policy.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF) :

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. During the year, Company has transferred the unclaimed and unpaid dividends of ₹ 2,51,23,604/- to IEPF. Further, 28,71,763 corresponding shares on which dividends were unclaimed for seven consecutive years stood transferred to IEPF (in addition to 1,45,62,735 which were earlier transferred), as per the requirements of the IEPF rules. The details are provided in the Shareholder Information Section of this Annual Report and are also available on website of the company www.mrpl.co.in.

ANNUAL BUSINESS RESPONSIBILITY REPORT :

SEBI (LODR) Regulations, 2015 mandated inclusion of Annual Business Responsibility Report (ABRR) as part of the Annual Report for top 1,000 Listed Entities based on market capitalization. In compliance with the Regulation, ABRR for the FY 2019-20 forms part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS :

In terms of Regulation 34 of the SEBI (LODR) Regulations, 2015 the Management's Discussion and Analysis (MDA) Report for the FY 2019-20 forms part of this Report.

INTERNAL FINANCIAL CONTROL :

Your Company has a well-established and efficient internal financial control system to ensure an adequate and effective internal control environment that provides assurance on efficiency of conducting 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 accounting records and the timely preparation of reliable financial information. An independent audit of Information Systems of the Company is also undertaken periodically and appropriate actions are taken on suggestions given during audit.

The Company has an in-house internal Audit Department commensurate with its size of operations. Audit observations are periodically reviewed by the Audit Committee of the Board and necessary Directions are issued whenever required. Details on the Internal Control system are disclosed in the Management Discussion Analysis Report which forms part of this report.

AUDITORS :

Joint Statutory Auditors

M/s S Venkatram & Co. LLP, Chennai and M/s Manohar Chowdhry and Associates, Mangalore were the Joint Statutory Auditors of the Company for the FY 2019-20. They have audited the Financial Statements for FY 2019-20 and submitted their report which forms part of this report. There is no qualification in the Auditors Report on the financial statements of the Company. Notes to the Accounts referred to in the Auditors Report are self-explanatory and therefore do not call for any comments. Total Fees paid to the Joint Statutory Auditors for the financial year 2019-20 was ₹ 25 lakh on consolidated basis.

Secretarial Auditors

Your Company engaged M/s Kumar Naresh Sinha & Associates, Practicing Company Secretary, Noida for conducting Annual Secretarial Audit for FY 2019-20 pursuant to Section 204 of the Companies Act, 2013. M/s Kumar Naresh Sinha & Associates, Practicing Company Secretary, Noida has issued Secretarial Audit Report for the FY 2019-20 which forms part of this report as **'Annexure-G'**. The Auditors have made observations on the composition of the Board with regard to requisite number of Independent Directors on the Board of the Company for the quarter ended 31/12/2019 and 31/03/2020. The matter for appointment of requisite number of independent Directors is being persued with MoP&NG and the same is under active consideration of MoP&NG

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Cost Accounts maintained by the company for the FY 2019-20 are being audited by Cost Auditors M/s. Chandra Wadhwa & Co., New Delhi. M/s Chandra Wadhwa & Co, Cost Accountant have been re-appointed as Cost Auditors for FY 2020-21

COMMENTS OF C&AG ON THE JOINT STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED AND STANDALONE FINANCIAL STATEMENTS FOR THE FY 2019-20

The Comments of Comptroller & Auditor General of India (C&AG) forms part of this report and are attached as **'Annexure-H'**. C&AG has also issued a Management Letter. The same is attached at **"Annexure-H".** The response of management is as under :

The Compulsory Convertible Debentures (CCDs) issued by subsidiary Company "OMPL" for three years with a backstopping arrangement by MRPL and ONGC (sponsor's). The accounting treatment, disclosure and accounting policy was done by OMPL based on the similar transaction carried out between OPAL and ONGC. As suggested by OMPL the same accounting treatment was followed in ONGC few year back and it can be considered in MRPL with an assurance that it is already adopted by group and approved by C&AG. However during the Audit of Accounts by C&AG for MRPL followed by OMPL, they have suggested to review the accounting treatment, disclosure and accounting policy of both the Companies (i.e. OMPL and MRPL).

In this regard, OMPL has assured that they will take opinion from Expert Advisory Committee (EAC) of

Institute of Chartered Accountants of India (ICAI) on accounting, disclosure and policy for both the companies. Further, MRPL management has issued an assurance letter stating that based on the opinion received from EAC through OMPL, suitable action will be taken during ensuing financial year (2020-21). As the trigger point of the matter is the recognition of CCD's in subsidiary OMPL's financial statements as financial liability or component of Equity, it would get resolved upon receipt of opinion from EAC of ICAI.

Accordingly, action will be taken during ensuing financial year for recognition of CCDs in OMPL accounts and as a result it will automatically reflect in MRPL's stand-alone financial statement and consolidated financial statement. Further, if required, related accounting policies in respective financial statements (subsidiary OMPL, Parent MRPL and Group) will be modified in line with related Ind AS.

Based on the assurance letter, while giving the comments on financial statements, C&AG has issued management letter for corrective & remedial action based on future EAC opinion and directed to place the management letter before Audit Committee & Board.

IMPACT OF COVID-19:

The entire Oil Industry including MRPL witnessed a significant drop in crude oil prices and general fall in demand for products due to lockdown caused consequent to pandemic, COVID-19.

The impact of COVID-19 on the physical and financial performance of the Company for the year 2019-20 was lesser as compared to the months of April and May 2020, as the nationwide lockdown was announced only in the last week of the financial year 2020.

- Liquidity position of Company is sound and good. Company has committed line of credit for both fund based and non-fund based from its empanelled Consortium Bankers as well as outside to honour its commitments so as to come out of the COVID-19 pandemic in a reasonable period of time. Company has met all the financial commitment on its due date.
- Till date the company has not breached any of the covenants of loan agreements and met the obligations well within the due dates. The company also does not foresee any breach in the covenants/obligations of the loan agreements in the near future. Company secures the highest credit rating from CRISIL, ICRA and CARE which indicates the highest degree of Strength with regard to honouring debts obligations.
- COVID-19 has caused significant disruptions to businesses across India. The management has considered the possible effects if any, that may impact the carrying amount of Assets viz. Property, Plant and Equipment, Right of Use Assets, Capital-work in Progress (CWIP), Investment Property, Goodwill, Other Intangibles assets, Investments, Loans, Inventories, Trade receivables and Other Financial Assets. In making the assumptions and estimates relating to the uncertainties in relation to the recoverable amounts, the management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as on date. The management expects no impairment to the carrying amounts of these assets. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations.

ACKNOWLEDGEMENT

Your Board of Directors wish to thank the shareholders for the continued confidence reposed on their Company. Your Directors sincerely thank the Government of India (GoI), Ministry of Petroleum and Natural Gas (MoP&NG), Ministry of Finance (MoF), Ministry of Corporate Affairs (MCA), Department of Public Enterprises (DPE), Ministry of Environment and Forest (MoEF), Ministry of External Affairs (MEA), Ministry of Shipping (MoS), Ministry of Home Affairs (MHA), other Ministries and Departments of the Central Government for their valuable support, guidance and continued co-operation. Your Directors also place on record their appreciation for the support from Govt. of Karnataka.

Your Directors gratefully acknowledge support and Direction provided by the parent company, Oil and Natural Gas Corporation Limited (ONGC) and the support of Hindustan Petroleum Corporation Limited (HPCL) as Promoters of the company. Your Directors acknowledge the continuous cooperation and support received from New Mangalore Port Trust, Financial Institutions, Banks and all other stakeholders. Your Directors recognize the patronage extended by the valued customers for the products of the Company and promise to provide them the best satisfaction. The Board would like to express its sincere appreciation for the dedicated efforts made and valuable services rendered by all the employees collectively and concertedly as a Team known as "Team MRPL" towards the Company's achievements during the year 2019-20.

For and on behalf of the Board

(Shashi Shanker)

Place: New Delhi

Chairman

Date : 14/08/2020

(DIN: 06447938)

ANNEXURE -A

REPORTING PERIOD: APRIL, 2019 TILL MARCH, 2020

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (0) of sub-section (3) of section 134 of the Act and Rule 8(1) of the Companies (Corporate Social Responsibility) Rules 2014]

1. A brief outline of the company's CSR & SD policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy & SD policy and projects or programs.

Mangalore Refinery & Petrochemicals Limited (MRPL) is a Schedule "A" Mini Ratna PSU, a subsidiary of ONGC delivering outstanding performance in Indian hydrocarbon downstream sector, year after year. Right from its inception, MRPL has been undertaking CSR activities under the name "Samrakshan".

CSR Policy of MRPL has been drafted in line with Section 135 & Schedule VII of the Companies Act 2013, followed by release of Company (Corporate Social Responsibility Policy) Rules, 2014 issued by Ministry of Corporate Affairs and "Guidelines on Corporate Social Responsibility & Sustainability" issued by Department of Public Enterprises, w.e.f., 01/04/2014. The Policy is duly recommended by the CSR&SD Committee and approved by MRPL Board.

Further, MRPL Board, during its meeting held on 10/04/2018 approved amendment to CSR&SD Policy in the areas of definition of "Local Area", percentage of amount to be spent on local area, neighbouring Districts within Karnataka State and other states in India against short term, medium terms and Long term plans, Delegation of Authority and Execution Methodology. The amended policy is uploaded on the website of the Company www.mrpl.co.in.

Overview of the projects & programs undertaken by the Company is listed at the end of this report.

2. Composition of CSR & SD committee as on 31/03/2020:

Members of CSR & SD Committee	Category
1. Dr. G. K. Patel	Chairperson
2. Shri. Balbir Singh	Member
3. Shri. M.Venkatesh	Member

3. Average net profit of the company for last three financial years.

Net Profit (PBT)	(₹ Crores)
PBT : FY 2016-17	5,533.89
PBT : FY 2017-18	3,349.75
PBT : FY 2018-19	609.99
Total	9,493.63
Average	3,164.54
CSR budget for FY 2019-20 (2% of net profit of preceding 3 years)	63.29
Carry forward for FY 2018-19	59.31
Available CSR budget	122.60

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).

(₹ in crore)

Carry forward budget of FY 2018-19	59.31
CSR Budget for FY 2019-20	63.29
TOTAL	**122.60**

5. Details of CSR spent during the financial year.

a. Total amount to be spent for the financial year : ₹ 122.60 Crores,

b. Amount spent during the year: ₹ 76.09 Crores,

c. Amount unspent : ₹ 46.51 Crores,

d. Amount carried forward to 2020-21 : ₹ 46.51 Crores.

6. Reason for unspent balance, if any.

Most of the approved CSR projects are committed and majority of the projects are in implementation stage. Significant delay experienced in project implementation due to extended monsoon and non-availability of sand in civil related projects.

7. A Responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the company.

a) To ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.

b) To take up programs that benefit the communities in and around its operational area and results over a period of time, in enhancing the quality of life & economic well-being of the local populace.

c) To generate through its CSR initiatives, a community goodwill for MRPL and help reinforce a positive & socially responsible image of the Company as a corporate entity.

sd/-	sd/-
M. VENKATESH	**G K PATEL**
Managing Director	Chairperson CSR & SD Committee
(DIN : 07025342)	(DIN : 07945704)

Financial Year 2019-20

DETAILS OF CSR SPENDING AS ON 31/03/2020

1	2	3	4	5	6	7	8
Sl.No	**CSR project / activity identified**	**Sector in which the project is covered**	**Projects / Programs 1. Local area / others 2. Specify the state district where the program was undertaken**	**Amount Outlay (budget) project / program wise (₹ In lakhs) (Inclusive of GST)**	**Amount spent on the project / preprogram subheads: 1. Direct expenditure on project 2. Overheads (₹ In lakhs)**	**Cumulative expenditure upto the reporting period (₹ in lakhs)**	**Amount spent : Direct / through implementing agency**
I	**Shiksha Samrakshan :**						
1	Providing Benches and Desks to the Schools in and around Dharwad.	Schedule VII of the Companies Act. Sl. No.ii Promoting Education	1. Other area 2. Dharwad, Karnataka State	57.82	Same as (5). Direct expenditure, no overheads	57.58	Direct
2	Construction of Model anganwadi (Chinnara Angala) Building in 3 Locations in Dakshina Kannada.	-do-	1. Local area 2. D.K District, Karnataka State	64.16	-do-	26.03	Direct
3	Construction of toilet for Kabaka P.U. College, Puttur Taluk.	-do-	-do-	10.00	-do-	9.18	Direct
4	Construction of toilet Block in Teachers Training Institute, Mangalore	-do-	-do-	21.87	-do-	4.70	Direct
5	Construction of toilet and Urinals for Govinda Dasa College, Surathkal.	-do-	-do-	6.02	-do-	2.41	Direct
6	Construction of Sewage treatment plant for educational institute at Vivekananda College, Puttur.	-do-	-do-	7.82	-do-	7.82	Direct
7	Construction of toilet for Government Pre-University College, Panja, Sullia Taluk.	-do-	-do-	6.47	-do-	6.47	Direct
8	Construction of toilet & Bath Room for Govt. Polytechnic for Women, Bondel, Mangalore	-do-	-do-	12.02	-do-	7.47	Direct
9	Construction of Auditorium for Govt. P.U. College, Krishnapura	Schedule VII of the Companies Act. Sl.No.ii Promoting Education	-do-	35.40	-do-	32.28	Direct
10	Construction of Class room for DKZP HP School, VI Block, Krishnapura.	-do-	-do-	10.42	-do-	10.42	Direct

11	Construction of Classroom building and Science Laboratory at Govt. Junior College, Chikkamagaluru.	-do-	1. Other area 2. Chikkamagaluru District, Karnataka State.	88.5	-do-	26.90	Direct
12	Infrastructure upgardation to the School including provision for construction of Rangamandira in first floor for Govt. Upgraded HP School, Balpa, Sullia Taluk.	-do-	1. Local area 2. D.K District, Karnataka State	70.80	-do-	0.00	N/A
13	Construction of class room for DKZP HP School, Kudrebettu, Bantwal Taluk	-do-	-do-	11.80	-do-	7.71	Direct
14	Construction of Laboratory and Class room Building at Govt PU College, Venoor.	-do-	-do-	33.98	-do-	20.71	Direct
15	Providing roof top Solar Panels for Bondala Jagannath Shetty Memorial Govt. High School, Shambhur, and Bantwal Taluk.	-do-	-do-	9.94	-do-	9.26	Direct
16	Construction of toilet for DKZP HP School, Vitla, Bantwal Taluk.	Schedule VII of the Companies Act. Sl.No.i Sanitation	1. Local area 2. D.K District, Karnataka State	10.00	-do-	9.89	Direct
17	Construction of toilet Block for Sri Sri Ravishankar Vidya Mandira Trust, Bangalore at Chikkamagaluru District.	-do-	1. Other area 2. Chikkamagaluru District, Karnataka State	10.00	-do-	10.00	Direct
18	Construction of toilet for DKZP HP School, Ajilamogaru, Bantwal Taluk.	-do-	1. Local area 2. D.K District, Karnataka State	10.00	-do-	0.00	N/A
19	Construction of toilet for DKZP HP School, Okkethur, Bantwal Taluk.	-do-	-do-	4.24	-do-	4.15	Direct
20	Construction of toilet for DKZP HP School, Irde, Puttur.	-do-	-do-	4.51	-do-	3.93	Direct
21	Construction of toilet for DKZP HP School, Kudrebettu, Bantwal Taluk.	-do-	-do-	5.00	-do-	2.85	Direct
22	Installation of Sanitary Napkin Destroyer in Govt. Schools of DK District.	-do-	-do-	23.60	-do-	0.00	N/A
23	Construction of toilet for Govt. HP School, Hesakuthur, Kundapura Taluk, Udupi District	-do-	1. Other area 2. Udupi District, Karnataka State	5.50	-do-	5.12	Direct
24	Construction of toilet for DKZP MUHP School, Kavu, Puttur.	-do-	1. Local area 2. D.K District, Karnataka State	10.00	-do-	10.00	Direct

25	Construction of toilet for Mukka Zumma Masjid Education Trust.	-do-	-do-	7.61	-do-	6.73	Direct
26	Construction of toilet for Mahatma Gandhi High School, Saibarakatte, Udupi.	-do-	1. Other area 2. Udupi District, Karnataka State	10.00	-do-	10.00	Direct
27	Construction of toilet for Shri Bharati Higher Primary School, Alankar, Puttur.	-do-	1. Local area 2. D.K District, Karnataka State	25.00	-do-	25.00	Direct
28	Construction of toilet for Janata Higher Primary School, Adyanadka, Bantwal.	-do-	-do-	12.00	-do-	8.77	Direct
29	Construction of toilet facility for Maitreyi Gurukula, Vitla.	-do-	-do-	32.08	-do-	23.54	Direct
30	Construction of toilet block for Vivekananda Aided HP School, Jalsoor.	-do-	-do-	5.00	-do-	5.00	Direct
31	Construction of toilet for Govt. High School, Navoor.	-do-	-do-	7.30	-do-	0.00	N/A
32	Construction of toilet for DKZPHP School, Koila.	-do-	-do-	10.00	-do-	3.70	Direct
33	Construction of toilet block for Vidyadayinee School,Surathkal.	-do-	-do-	5.20	-do-	3.50	Direct
34	Construction of toilet block for DKZPLP School,Kompadavu.	-do-	-do-	2.50	-do-	0.00	N/A
35	Construction of toilet block for DKZP School Boliya, Kuppepadavu.	-do-	-do-	6.95	-do-	6.05	Direct
36	Construction of toilet block for DKZP School, Edapadavu.	-do-	-do-	6.95	-do-	6.05	Direct
37	Construction of toilet block for DKZP School, Muchhuru.	-do-	-do-	6.95	-do-	6.03	Direct
38	Construction of toilet block for DKZP School, Kalladi.	-do-	-do-	6.95	-do-	6.05	Direct
39	Construction of toilet block for DKZP School, Guthakadu.	-do-	-do-	8.11	-do-	7.57	Direct
40	Construction of toilet block for DKZPHP School, Nadugodu.	-do-	-do-	8.00	-do-	0.00	N/A
41	Construction of toilet block for Govt. Higher Primary School, Aliyoor.	-do-	-do-	10.00	-do-	0.00	N/A
42	Construction of toilets for Balpa Grama Panchayath.	-do-	-do-	9.16	-do-	0.00	N/A
43	Maintenance of Swachh Vidyalaya toilets constructed under Swachh Vidyalaya Abhiyan.	-do-	1. Local & Other area 2. Dakshina Kannada and Udupi District, Karnataka State	2.47	-do-	1.18	Direct

44	Installation of Napkin vending machine and incinarators in schools and colleges of Raichur and Yadgir Districts.	-do-	1. Other area 2. Raichur and Yadgir District, Karnataka State	122.22	-do-	72.85	Direct
45	Construction of Ladies Rest Room building with Washroom for Karnataka (Govt.) Polytechnic, Kadri Hill, Mangalore.	-do-	1. Local area 2. D.K District, Karnataka State	50.00	-do-	0.00	N/A
46	Construction of toilets for Govt Schools in Belthangady Taluk (42 Toilets)	-do-	-do-	420.00	-do-	210.00	Direct
47	Deccan Herald Educational Project: "Deccan Herald-Sahapati"	Schedule VII of the Companies Act Sl.No. ii Promoting Education	-do-	54.34	-do-	47.64	Direct
48	Building for Shri Venkataramana Women's College, Karkala.	-do-	1. Other area 2. Udupi District, Karnataka State	19.80	-do-	19.80	Direct
49	Project for Seva Bharathi School for Spastic Children near VT Road, Mangalore: Multipurpose Physiotheraphy vehicle for spastic person.	-do-	1. Local area 2. D.K District, Karnataka State	30.73	-do-	29.59	Direct
50	Providing Mid-day meal to the Students of Government & Govt. Aided Schools in Dakshina Kannada District through Akshaya Patra Foundation.	-do-	1. Multiple area 2. D.K, Bellary, Dharwad District, Karnataka State	128.41	-do-	122.36	Direct
51	Construction of Class Room for DKZP HP School, Ira, Balepuni, Bantwal Taluk.	-do-	1. Local area 2. D.K District, Karnataka State	17.70	-do-	5.39	Direct
52	Construction of Classroom for Shri Bharati Higher Primary School, Alankar, Puttur.	-do-	-do-	16.99	-do-	16.99	Direct
53	Renovation of Roof top and Auditorium for DKZP HP School, Kadabettu, Bantwal Taluk.	-do-	-do-	6.49	-do-	0.00	N/A
54	Construction of Science Laboratory for St. Mary's Central School, Kinnigoli.	-do-	-do-	14.78	-do-	8.62	Direct
55	Construction of School Building for Ramakrishna High School, Puttur.	-do-	-do-	35.40	-do-	35.39	Direct
56	Construction of class room for DKZP Higher Primary School, Madhya, Mangalore Taluk.	-do-	-do-	41.30	-do-	41.30	Direct

57	Setting up of class room and Science Laboratory for Govinda Dasa First Grade College, Surathkal.	-do-	-do-	59.00	-do-	44.06	Direct
58	Construction of Multipurpose Demonstration class room for Govt. High School, Guruvayanakere, Beltangadi.	-do-	-do-	59.00	-do-	44.28	Direct
59	Construction of first floor building for Govt. PU College, Bailur.	-do-	1. Other area 2. Udupi District, Karnataka State	29.50	-do-	29.50	Direct
60	Auditorium and Dining Hall for DKZP HP School, Keddalike, Kavalakatte, Bantwal Taluk.	-do-	1. Local area 2. D.K District, Karnataka State	35.40	-do-	35.40	Direct
61	Construction of class rooms for Govt. PU College, Savanoor, and Puttur Taluk.	-do-	-do-	51.22	-do-	41.72	Direct
62	Infrastructural development in local Govt./Aided schools : Providing building (class rooms), Computers, Projectors and related items, Furniture, Sports materials, Science modules etc.	-do-	-do-	41.00	-do-	40.91	Direct
63	Construction of building for Lions Special School, Surathkal.	-do-	-do-	101.66	-do-	91.67	Direct
64	Construction of class room for DKZPHP School, Thiruvail, Mangalore.	-do-	-do-	31.27	-do-	26.14	Direct
65	Construction of class room and other facilities for Anjuman School, Jokatte.	-do-	-do-	24.51	-do-	24.51	Direct
66	Construction of class room for St. Ignatius School, Moodabidri.	-do-	-do-	42.56	-do-	42.54	Direct
67	Roofing and development work at Govt. High School, Muchhuru.	-do-	-do-	22.00	-do-	16.03	Direct
68	Renovation of school building of DKZP Urdu HP School, Gurukambla, Kinnikambla.	-do-	-do-	4.01	-do-	0.00	N/A
69	Roof work and other infrastucture facilities for Govt. P. U. College (H. Section), Mutturu.	-do-	-do-	5.78	-do-	5.31	Direct
70	Construction of Auditorium for Govt. High School, Katipalla 5th Block, Krishnapura	-do-	-do-	35.40	-do-	18.81	Direct
71	Installation of grill and heightening the School ground of Govt. High School, Mullakadu.	-do-	-do-	5.90	-do-	5.29	Direct

72	Construction of Auditorium for Shri. Ramachandra P U College, Perne.	-do-	-do-	24.39	-do-	24.18	Direct
73	Infrastructure development of Shri Ramakunjeshwara Sanskrit Higher Primary School, Ramakunja, Puttur.	-do-	-do-	5.51	-do-	4.56	Direct
74	Providing Lab. facilities and furniture for Holy Family Girls School, Bajpe.	-do-	-do-	24.78	-do-	24.23	Direct
75	Construction of classroom for Govt. High School, Hirgana, Karkala	-do-	1. Other area 2. Udupi District, Karnataka State	26.55	-do-	12.80	Direct
76	Construction of Auditorium for Govt. Model H. P. School, Gudigargalli, Kumta.	-do-	1. Other area 2. Uttara Kannada District, Karnataka State	12.44	-do-	12.44	Direct
77	Renovation of School building and Compound wall for DKZP HP School Daddi Badaga, Edapadavu, Mangalore.	-do-	1. Local area 2. D.K District, Karnataka State	18.00	-do-	10.87	Direct
78	Construction of Additional classrooms for DKZPHP School, Muchhuru, Mangalore.	-do-	-do-	89.09	-do-	12.61	Direct
79	Construction of class room and Open stage for DKZPHP School, Bolanthimogaru, Vitla, Bantwala Taluk.	-do-	-do-	29.50	-do-	29.50	Direct
80	Construction of 1st floor slab and second floor to existing Aided Kalavaru Higher Primary School, Chelairu Village.	-do-	-do-	48.73	-do-	38.40	Direct
81	Compound Wall for DKZPHP School, Boliya, Mangalore.	-do-	-do-	13.87	-do-	8.87	Direct
82	Renovation of School Building for DKZPHP School, Boliya, Mangalore.	-do-	-do-	6.01	-do-	0.00	N/A
83	Construction of Office room for DKZPHP School, Kalladi, Mangalore.	-do-	-do-	10.33	-do-	10.32	Direct
84	Renovation of Govt. High School Building at Kinnikambla, Mangalore.	-do-	-do-	3.78	-do-	0.00	N/A
85	Renovation of DKZPHP School Building, Mundabettu, Paduperara.	-do-	-do-	4.43	-do-	0.00	N/A
86	Renovation of School Building and toilet room for Govt. High School, Kalladi, Mangalore.	-do-	-do-	4.01	-do-	0.00	N/A

87	Construction of additional class room in first floor of Shree Narayanaguru P U College, Katipalla, Mangalore.	-do-	-do-	35.40	-do-	4.42	Direct
88	Construction of classroom and toilet block for Govt. Primary School, Kinnikambala, Mangalore.	-do-	-do-	47.20	-do-	0.00	N/A
89	Repair to the building of PGSS Govt. High School, Kemral, Haleyangadi.	-do-	-do-	17.70	-do-	17.66	Direct
90	Providing Uniform and Books to Aided Kalavar Higher Primary School, Chellairu Rehab. Colony.	-do-	-do-	2.35	-do-	2.35	Direct
91	Procurement of Bench & Desk to D.K.Z.P.L.P School, Kompadavu.	-do-	-do-	0.71	-do-	0.71	Direct
92	Construction of Anganwadi Building for Soorinje Grama Panchayath.	-do-	-do-	23.60	-do-	7.08	Direct
93	Repair of School building and toilet floor for Government High School, Badaga Yekkaru, and Mangalore Taluk.	-do-	-do-	11.80	-do-	11.80	Direct
94	Procurement of Computers for Govt. Polytechnic for Women, Bondel, Mangalore.	-do-	-do-	17.24	-do-	17.23	Direct
95	Construction of concrete approach road and drainage to Government High School, Jokatte.	-do-	-do-	8.85	-do-	0.00	N/A
96	Construction of School Building for DKZP Higher Primary School, Kilenjaru, Kuppepadavu, Mangalore Taluk.	-do-	-do-	59.00	-do-	4.17	Direct
97	Renovation of School Building for DKZP HP School, Paduperara, Kinnikambala, Mangalore Taluk.	-do-	-do-	5.13	-do-	0.00	N/A
98	Procurement of Computers and accessories for Shri Niranjana Swamy Polytechnic, Sunkadakatte, Bajpe.	-do-	-do-	19.11	-do-	19.10	Direct
99	Construction of retention wall and compound wall for DKZP High School, Konajepadavu, Mangalore Taluk.	-do-	-do-	47.20	-do-	45.82	Direct
100	Procurement of Computers for Chokkady High School, Kukkujadka, Sullia Taluk.	-do-	-do-	2.12	-do-	2.12	Direct
101	Procurement of Computers for Payaswini High School, Jalsoor, Sullia.	-do-	-do-	2.12	-do-	2.12	Direct

102	Construction of Anganwadi for Permude Grama Panchayath.	-do-	-do-	23.60	-do-	11.80	Direct
103	Preparation of DFR for Installation of Solar Panels in 19 Govt. Schools in Belthangady Taluk and Govt. Lady Goschen Hospital, Mangalore.	Schedule VII of the Companies Act. Sl. No.iv conservation of natural resources	-do-	1.40	-do-	0.00	N/A
104	Construction of Auditorium for Govt. PU College (High School Section), Gurupura.	Schedule VII of the Companies Act. Sl. No.ii promoting education	-do-	59.00	-do-	45.37	Direct
105	Construction of 3rd floor Building to Samskrita Bharathi, Bangalore.	-do-	1. Others 2. Bangalore District, Karnataka State	79.06	-do-	27.23	Direct
106	Providing Sports Equipment to DKZP Model Higher Primary School, Kalladka, Bantwal Taluk	-do-	1. Local area 2. D.K District, Karnataka State	3.51	-do-	3.51	Direct
107	Providing Computers to Govt. Pre-University College, Hiriadka.	-do-	1. Others 2. Udupi District, Karnataka State	10.16	-do-	10.16	Direct
108	Water Cooler with inbuilt Water Purifier for Government High School, Belluru, Udupi Dist.	Schedule VII of the Companies Act. Sl. No.i making available safe drinking water	-do-	1.04	-do-	1.04	Direct
109	Providing Computers to SVS English Medium School, Vidyagiri, Bantwal.	Schedule VII of the Companies Act. Sl. No.ii promoting education	1. Local area 2. D.K District, Karnataka State	22.79	-do-	22.79	Direct
110	Infrastructure development of Govt. High School, Koukradi.	-do-	-do-	3.54	-do-	0.00	Direct
111	Renovation of class rooms, office room and corridors of Sacred Heart of Jesus School, Surathkal.	-do-	-do-	6.49	-do-	6.44	Direct
112	Construction of School Building for DKZP Higher Primary School, Daddalkad, Bantwal Taluk.	-do-	-do-	63.37	-do-	63.37	Direct
113	Drinking Water Facility in Govt. and Aided Schools, Colleges and PHCs in Sullia, Udupi and Kaup.	Schedule VII of the Companies Act. Sl. No.i making available safe drinking water	1. Multiple area 2. D.K District & Udupi District Karnataka State	330.00	-do-	329.65	Direct

114	Support for providing Mid-day meal to Sri Rama Vidya Kendra Trust, Kalladka.	Schedule VII of the Companies Act. Sl.No.ii promoting education	1. Local area 2. D.K District, Karnataka State	177.00	-do-	177.00	Direct
115	Construction of School Building for Govt. High School, Polali.	-do-	-do-	77.00	-do-	57.25	Direct
116	Construction of Anganawadies in Dakshina Kannada District by Dakshina Kannada Zilla Panchayath, Mangalore.	-do-	-do-	148.00	-do-	73.75	Direct
117	Construction of class rooms and toilets for DKZP Model Higher Primary School, Kalladka, Bantwal.	-do-	-do-	81.00	-do-	60.88	Direct
118	Construction of Class Rooms for DKZP Higher Primary School, Maji, Veerakambha, Bantwal.	-do-	-do-	76.00	-do-	58.29	Direct
119	Construction of class room for Govt. Pre-University College (High School Section), Chelairu.	-do-	-do-	61.00	-do-	29.50	Direct
120	Construction of Class Room in the First floor for Govt. Pre University College (Education), Hampanakatta, Mangalore.	-do-	-do-	25.96	-do-	12.98	Direct
121	Procurement of Furniture for Anjuman Educational Institutions, Jokatte.	-do-	-do-	19.72	-do-	19.63	Direct
122	Construction of stage for Anjuman Educational Institutions, Jokatte.	-do-	-do-	9.13	-do-	9.13	Direct
123	Financial support for procurement of School Bus for Govt. Higher Primary School, Koila, Bantwal Taluk.	-do-	-do-	19.38	-do-	18.95	Direct
124	Distribution of note books for Govt school of Jokatte Grama Panchayath.	-do-	-do-	1.25	-do-	1.25	Direct
125	Distribution of Uniform to Aided Permude Higher Primary School, Kodikere.	-do-	-do-	0.65	-do-	0.65	Direct
126	Financial assistance for construction of classroom for DKZP HP School Chandalike, Vitla.	-do-	-do-	37.76	-do-	24.19	Direct
127	Distribution of Meritorious Scholarship and Financial Aid to Below Poverty Line SC/ST Students.	-do-	-do-	78.71	-do-	78.40	Direct
128	Construction of toilet block for Shri Devi High School, Punacha, Bantwal Taluk.	Schedule VII of the Companies Act. Sl.No.i Sanitation	-do-	30.00	-do-	9.23	Direct

129	Providing 6 Nos. Computers to D.N. Mahavidyalaya, Gulavati, Uttar Pradesh.	Schedule VII of the Companies Act. Sl. No.ii promoting education	1. Other area 2. Uttar Pradesh State	3.23	-do-	3.22	Direct
130	Infrastructure development of Schools in and around Mangalore City Corporation area.	Schedule VII of the Companies Act. Sl. No.ii promoting education	1. Local area 2. D.K District, Karnataka State	13.54	-do-	1.46	Direct
131	Construction of class room for DKZP Higher Primary School, Ananthady, Bantwal Taluk.	-do-	-do-	29.50	-do-	14.75	Direct
132	Extension of School Building for Vivekananda Aided Higher Primary School, Jalsoor.	-do-	-do-	105.87	-do-	0.00	N/A
133	Construction of Anganawadi Building for Kadthala Grama Panchayath in Karkala, Udupi District.	-do-	1. Other area 2. Udupi District, Karnataka State	35.40	-do-	17.70	Direct
134	.Construction of toilets for Shree Marikamba Govt. High School and PU College, Sirsi, Uttara Kannada District.	Schedule VII of the Companies Act. Sl.No.i Sanitation	1. Other area 2. Uttara Kannada District, Karnataka State	50.00	-do-	25.00	Direct
135	Construction of Indoor Stadium at Gonikoppal High School ground, Kodagu District.	Schedule VII of the Companies Act. Sl. No.ii promoting education	1. Other area 2. Kodagu District, Karnataka State	59.00	-do-	0.00	N/A
136	Scaling up of Technology enabled education in Government High Schools In Yadgir District.	-do-	1. Other area 2. Yadgir District, Karnataka State	28.32	-do-	0.00	N/A
137	Providing Water purifier for Govt. Higher Primary School Patrakatte, Thirthahalli.	-do-	1. Other area 2.Shimoga District, Karnataka State	0.45	-do-	0.00	N/A
II	**Arogya Samrakshan:**						
1	Providing Essential Healthcare Furniture for Govt. Lady Goschen Hospital, Mangalore.	Schedule VII of the Companies Act. Sl. No.i Promoting Preventive Health care	1. Local area 2. D.K District, Karnataka State	745.43	-do-	696.61	Direct
2	Organizing Artificial limb camp at Dandeli/Haliyal, Uttara Kannada Dist.	-do-	1. Other area 2. Uttara Kannada District, Karnataka State	5.90	-do-	0.00	N/A
3	Running a Free Primary Health Centre at Chelairu Rehabilitation Colony.	-do-	1. Local area 2. D.K District, Karnataka State	7.80	Same as (5). Direct expenditure, no overheads	3.91	Direct

4	Running a Free Primary Health Centre at Kalavar.	-do-	-do-	10.33	-do-	2.00	Direct
5	Providing Lab and other equipment for Aralaguppe Mallegowda Govt. Hospital, Chikkamagalur.	-do-	1. Other 2. Chikmagalur District, Karnataka State	69.62	-do-	60.18	Direct
6	Providing X-Ray Machine, Ultra Sound Machine, Silent Generator and Dialysis machine to General Hospital, Shikaripura.	-do-	1. Other 2. Shivamogga District, Karnataka State	29.14	-do-	27.69	Direct
7	Medical Equipment and Infrastructure development of Govt. General Hospital, Thirthahalli.	-do-	-do-	16.04	-do-	5.65	Direct
8	Providing Hearing Aid and other Aids by BG Educational and Charitable Trust (R), Mangalore.	-do-	1. Local area 2. D.K District, Karnataka State	35.25	-do-	35.25	Direct
9	Healthcare activities in the villages: Mobile Medical facility through CHD Group, Mangalore.	-do-	-do-	23.55	-do-	14.25	Direct
10	Ambulance and other CSR projects for Govt. Spine Institute, Ahmedabad.	-do-	1. Others 2.Ahemadabad District, Gujarat State	30.19	-do-	11.81	Direct
11	Procurement of 4 Nos. Ambulances for Government Taluk Hospitals in Belthangady.	-do-	1. Local area 2. D.K District, Karnataka State	62.09	-do-	62.09	Direct
12	Procurement of ECG Machines for Govt. Primary Health Centers in Shivamogga District.	-do-	1. Other 2. Shivamogga District, Karnataka State	5.27	-do-	0.00	N/A
13	Procurement of Mobile Health Clinic with all accessories to provide primary health care services to migrant workers in Ernakulam, Kerala by Centre for Migration and Inclusive Development (CMID), Ernakulam.	-do-	1. Other area 2. Ernakulam District, Kerala State	47.60	-do-	46.40	Direct
14	Construction of OPD Block for Primary Health Centre, Mulki.	-do-	1. Local area 2. D.K District, Karnataka State	118.00	-do-	59.00	Direct
15	Providing Aids and Appliances to Disabled in Co-Ordination with M/s. ALIMCO, Bangalore.	-do-	1. Multiple area 2. D.K, Udupi, Raichur & Yadgir District, Karnataka State	230.00	-do-	164.91	Direct
16	Donation of CCU/ Trauma Ambulance to Kaveri Memorial Charitable Trust/ Hospital, Mangalore.	-do-	1. Other area 2. Chikmagalur District, Karnataka State	26.81	-do-	26.81	Direct

17	Providing infrastructure facility to Sharada Dhanwanthri Charitable Hospital, Sringeri.	-do-	1. Other area 2. Shivamogga District, Karnataka State	23.91	-do-	23.91	Direct
18	Financial support for procurement of 1 No. Mahindra Bolero Ambulance to Sampaje PHC in Kodagu District through Udbhav Charitable Trust, Bangalore.	-do-	1. Other area 2. Kodagu District, Karnataka State	9.29	-do-	9.29	Direct
III	**Bahujan Samrakshan :**						
1	Modification, Painting, Civil works of Community Hall and Anganwadi Building of Bala Grama Panchayat.	Schedule VII of the Companies Act. Sl. No. x Rural Development	1. Local area 2. D.K District, Karnataka State	3.81	Same as (5). Direct expenditure, no overheads	0.70	Direct
2	Construction of Anganwadi, Training Centre and library at Dharwad.	-do-	1. Other area 2. Dharwad District, Karnataka State	18.64	-do-	17.65	Direct
3	Drinking water project- Open Well With Pipeline at Chelairu Rehabilitation colony.	Schedule VII of the Companies Act. Sl. No.i Making available safe Drinking Water	1. Local area 2. D.K District, Karnataka State	17.02	-do-	5.90	Direct
4	Construction of toilet Block at Panambur/Tannirbhavi/Talapady in Mangalore Taluk.	Schedule VII of the Companies Act. Sl. No.i Sanitation	1. Local area 2. D.K District, Karnataka State	75.78	-do-	5.70	Direct
5	Construction of toilet Block at Ganeshpura by Vyakthi Vikasa Trust. (Art of Living)	-do-	-do-	18.00	-do-	18.00	Direct
6	Construction of toilet under Mangalore City Corporation Limit.	-do-	-do-	61.10	-do-	11.47	Direct
7	Swachh Bharath Abhiyan in Association with Amrithanandamayi Mutt Mangalore	-do-	-do-	32.77	-do-	32.75	Direct
8	Swacha Bharath Abhiyaan in Association with Vyakthi Vikasa Trust (Art of Living): Distribution of Waste Disposal Machines.	-do-	-do-	1.47	-do-	0.76	Direct
9	Providing Solar Street Light for Chelairu Grama Panchayath.	Schedule VII of the Companies Act. Sl. No.x Rural Development	-do-	18.34	-do-	16.31	Direct
10	Construction of individual toilet for 87 houses. (23 SC/ST and rest OBC)	Schedule VII of the Companies Act. Sl.No.i Sanitation	-do-	6.42	-do-	1.50	Direct

11	Providing Sports Equipment for Sports Complex at Haliyaal, Uttara Kannada Dist.	Schedule VII of the Companies Act. Sl. No. vii Training to promote nationally recognised sports	1. Other area 2. Uttara Kannada District, Karnataka State	11.80	-do-	0.00	N/A
12	Construction of Veterinary Hospital at Mahanandi Gauloka, Shimoga.	Schedule VII of the Companies Act. Sl. No. iv animal welfare	1. Local area 2. Shimoga District, Karnataka State	4.77	-do-	4.77	Direct
13	Skill Development in Haliyal, Uttara Kannada.	Schedule VII of the Companies Act. Sl. No. ii Employment enhancing vocational skills	1. Other area 2. Uttara Kannada District, Karnataka State	11.80	-do-	11.20	Direct
14	Construction of Overhead tank at Jokatte, Bajpe and Padapanamburu.	Schedule VII of the Companies Act. Sl. No.i Making available safe drinking water	1. Local area 2. D.K District, Karnataka State	70.80	-do-	55.60	Direct
15	Construction of Library Building for SC/ST hostel in Dakshina Kannada District.	Schedule VII of the Companies Act. Sl. No. ii measures for reducing inequalities faced by socially and economically backward groups	-do-	26.42	-do-	7.37	Direct
16	Construction of extra ward for Dog ABC ward for Animal Care Trust, Shakthinagara, Mangalore.	Schedule VII of the Companies Act. Sl. No. iv animal welfare	-do-	2.89	-do-	2.89	Direct
17	Flooring and Barricade to the open stage of Karnataka Seva Vrinda, Surathkal.	Schedule VII of the Companies Act. Sl. No. v – promotion and development of traditional arts	-do-	4.72	-do-	4.13	Direct
18	Construction of Nithyananda Samudaya Bhavana, Ganeshpura.	Schedule VII of the Companies Act. Sl. No. x Rural Development	-do-	17.70	-do-	17.70	Direct
19	Restoration and Development of lakes in Moodabidri.	Schedule VII of the Companies Act. Sl. No.iv conservation of natural resources	-do-	70.80	-do-	45.20	Direct

20	Toilet and other related sanitation facility for Shri Krishna Math Parisara Vikasa Prathistana, Udupi.	Schedule VII of the Companies Act. Sl. No.i Sanitation	1. Other 2. Udupi District, Karnataka State	109.99	-do-	51.01	Direct
21	Sewage Treatment Plant for Bappanadu Temple, Mulki.	-do-	1. Local area 2. D.K District, Karnataka State	49.62	-do-	0.00	Direct
22	Construction of Public toilet for Chelairu Rehabilitation Colony.	-do-	-do-	9.80	-do-	9.50	Direct
23	Construction of Public toilet Block for Town Panchayath, Vitla, Bantwal Taluk.	-do-	-do-	16.00	-do-	10.35	Direct
24	Construction of toilet block in Karinje Temple, Kavalamudur Village, Bantwal Taluk.	-do-	-do-	9.06	-do-	4.79	Direct
25	Swachh Bharath Projects of Ramakrishna Mission.	Schedule VII of the Companies Act. Sl. No.i Promoting health care including Preventive Health care	-do-	289.05	-do-	242.49	Direct
26	Construction of public toilet near Karkala Stadium.	Schedule VII of the Companies Act. Sl. No.i Sanitation	1. Other area 2.Udupi District, Karnataka State	20.00	-do-	0.00	N/A
27	Construction of toilet block for Pandeshwar Fire Service Station.	-do-	1. Local area 2. D.K District, Karnataka State	18.10	-do-	13.07	Direct
28	Providing pure drinking water facility for use of general public in Moodabidri.	Schedule VII of the Companies Act. Sl. No.i making available safe drinking water	-do-	4.59	-do-	4.59	Direct
29	Swachh Surathkal: Maintenance of beautified space under flyover.	Schedule VII of the Companies Act. Sl. No.i Promoting health care including Preventive Health care	-do-	9.05	-do-	6.03	Direct
30	Construction of over head water tank at Gudigar, Yekkar.	Schedule VII of the Companies Act. Sl. No.i making available safe drinking water	-do-	22.13	-do-	0.00	N/A
31	Construction of Over head water tank at Adyapady, Kandavara Village.	-do-	-do-	29.50	-do-	0.00	N/A

32	Construction of Over head tank at Neermarga, Mangalore.	-do-	-do-	29.00	-do-	0.00	N/A
33	Drilling Bore well and connecting pipeline in Six locations in Neermarga Grama Panchayath.	-do-	-do-	10.62	-do-	0.00	N/A
34	Providing Pure Drinking Water to Jokatte Village, Mangalore Taluk.	-do-	-do-	5.29	-do-	1.48	Direct
35	Observing Swachh Pakhwada.	Schedule VII of the Companies Act. Sl. No.i Promoting health care including Preventive Health care	-do-	23.36	-do-	8.74	Direct
36	Road in Sarpady Village in Bantwal Taluk.	Schedule VII of the Companies Act. Sl. No. x Rural Development	-do-	78.67	-do-	0.00	N/A
37	Construction of Sheet roofing training barrack for Karnataka State Fire Service, Mangalore Zone.	Schedule VII of the Companies Act. Sl. No. ii Employment enhancing vocational skills	-do-	52.16	-do-	0.00	N/A
38	Infrastructure Development for Nalike Seva Samaja ®, Odinala, Belthangady.	Schedule VII of the Companies Act. Sl. No. x Rural Development	-do-	29.50	-do-	11.14	Direct
39	Construction of Auditorium for Soorinje Grama Panchayath.	-do-	-do-	29.31	-do-	0.00	N/A
40	Assistance to Sevashrama (Orphanage), Seva Bhava Charitable Trust, Belman, Deralakatte.	Schedule VII of the Companies Act. Sl. No. iii setting up old age homes	-do-	23.60	-do-	23.60	Direct
41	Construction of building for Mangala Seva Samithi Trust (Orphanage), Mangalore.	Schedule VII of the Companies Act. Sl. No. iii setting up homes and hostels for women and orphans	-do-	5.90	-do-	5.90	Direct
42	Setting up of Senior Citizen Garden in Bajpe, Mangalore Taluk.	Schedule VII of the Companies Act. Sl. No. x Rural Development	-do-	5.00	-do-	5.00	Direct

43	Infrastructural development for SC/ST Community through concerned Government Department.	Schedule VII of the Companies Act. Sl. No. ii measures for reducing inequalities faced by socially and economically backward groups	-do-	171.96	-do-	127.02	Direct
44	GouSwarga - Construction of research center on cow breeding and products at Siddapura, Uttara Kannada.	Schedule VII of the Companies Act. Sl. No.iv Animal welfare	1. Other 2. Uttara Kannada District, Karnataka State	118.00	-do-	14.07	Direct
45	Infrastructure Development of hostel of Billava Association, Mangalore.	Schedule VII of the Companies Act. Sl. No.iii setting up homes and hostels	1. Local area 2. D.K District, Karnataka State	23.60	-do-	23.60	Direct
46	Construction of Community Hall and Auditorium for Baikampady Vidyarthi Sangha, Baikampady.	Schedule VII of the Companies Act. Sl. No. x Rural Development	-do-	22.32	-do-	18.10	Direct
47	Infrastructure Development of Bala Samudaya Bhavana.	-do-	-do-	21.06	-do-	2.20	Direct
48	Contribution to Army Fund.	Schedule VII of the Companies Act. Sl. No. vi Measures for the benefit of armed forces	1. Others 2. India	250.00	-do-	250.00	Direct
49	Construction of Community Hall and Library for Ganeshpura Temple, Kaikamba, Katipalla.	Schedule VII of the Companies Act. Sl. No. x Rural Development	1. Local area 2. D.K District, Karnataka State	44.84	-do-	44.84	Direct
50	Contribution to Orissa Cyclone Relief Fund.	Schedule VII of the Companies Act. Sl. No. xii Disaster management, including relief, rehabilitation and reconstruction activities	1. Others 2. Orissa State	197.18	-do-	197.18	Direct
51	Providing Computer, Printer and furniture to Nadakacheri, Surathkal	Schedule VII of the Companies Act. Sl. No. x Rural Development	1. Local area 2. D.K District, Karnataka State	2.34	-do-	2.34	Direct

52	Contribution to Karnataka Chief Minister's Relief Fund for Flood Victims.	Schedule VII of the Companies Act. Sl. No. xii Disaster management, including relief, rehabilitation and construction activities	1. Multiple area 2. Karnataka State	500.00	-do-	500.00	Direct
53	Contribution to Swachh Bharath Kosh.	Schedule VII of the Companies Act. Sl. No. 1. Contribution to Swachh Bharath Kosh	1. Multiple area 2. India	200.00	-do-	200.00	Direct
54	Swachhta Hi Seva (SHS) Campaign.	Schedule VII of the Companies Act. Sl. No.i Promoting health care including Preventive Health care	1. Local area 2. D.K District, Karnataka State	8.26	-do-	2.57	Direct
55	Support for Construction of Community Hall by Dakshina Kannada Mogaveera Mahajana Sangha ® in Uchila, Udupi District.	Schedule VII of the Companies Act. Sl. No. x Rural Development	1. Others 2. Udupi District, Karnataka State	891.00	-do-	288.61	Direct
56	Procurement of Puff Police Cabins for Panambur Police Station.	Schedule VII of the Companies Act. Sl. No. x Rural Development Projects	-do-	7.67	-do-	7.67	Direct
57	Skill development programme by Keshava Seva Samithi, Bengaluru.	Schedule VII of the Companies Act. Sl. No. ii Employment enhancing vocational skills	1.Others 2. Bangalore District, Karnataka State	7.41	-do-	5.21	Direct
58	Administrative Expenses towards CSR Department.	Schedule VII of the Companies Act.	1. Local area 2. D.K District, Karnataka State	300.00	-do-	227.24	Direct
59	Construction of Community Hall in Huvina Hadagali, Bellary.	Schedule VII of the Companies Act. Sl. No. x Rural development	1. Others 2. Bellary District, Karnataka State	499.00	-do-	0.00	Direct

60	Contribution to Deputy Commissioner DK District for Disaster Management.	Schedule VII of the Companies Act. Sl. No. xii Disaster management, including relief, rehabilitation and reconstruction activities	1. Local area 2. D.K District, Karnataka State	100.00	-do-	100.00	Direct
61	Construction of Women Centre at Mudipu for Prajna Counselling Centre, Mangalore.	Schedule VII of the Companies Act. Sl. No.iii setting up homes and hostels for women and orphans	-do-	316.00	-do-	0.00	N/A
62	Swachhta Pakhwada Abhiyaan by CISF, MRPL Unit.	Schedule VII of the Companies Act. Sl. No.i Promoting health care including Preventive Health care	-do-	0.59	-do-	0.58	Direct
63	Skill Development programme of MRPL.	Schedule VII of the Companies Act. Sl. No. ii Employment enhancing vocational skills	1. Local area and others 2. D.K & Udupi District, Karnataka State	228.00	-do-	86.04	Direct
64	World Environment Day Activity: Drawing Competition for School Children.	Schedule VII of the Companies Act. Sl. No. iv ensuring environment sustainability	1. Local area 2. D.K District, Karnataka State	4.18	-do-	3.54	Direct
65	Sponsoring for Celebration of World Environment Day Competitions for Karnataka Veterinary and Fisheries Sciences University.	-do-	-do-	0.59	-do-	0.59	Direct
66	World Environment Day by Pilikula Regional Science Center.	-do-	-do-	1.44	-do-	1.44	Direct
67	Contribution by Oil Companies towards "Saksham-2020"	Schedule VII of the Companies Act. Sl. No. iv conservation of natural resources	1. Others 2. India	6.49	-do-	6.49	Direct

68	Transportation services to carry out Disaster relief through District Authorities.	Schedule VII of the Companies Act. Sl. No. xii Disaster management, including relief, rehabilitation and construction activities	1. Multiple area 2. Karnataka State	1.55	-do-	1.55	Direct
69	Construction of Ranga Mandira and Gymnasium Building for Kodikal Mogaveera Mahasabha, Kodikal, Mangalore.	Schedule VII of the Companies Act. Sl. No. x Rural development	1. Local area 2. D.K District, Karnataka State	51.07		9.44	Direct
70	Construction of Veterinary Hospital at baikere, Hassan.	Schedule VII of the Companies Act. Sl. No.iv Animal welfare	1. Local area 2. Hassan District, Karnataka State	38.35		12.79	Direct
71	Construction of Sheet Roofing work for Courtyard of Shri Vidya Vinayaka Yuvaka Mandala at Haleyangadi.	Schedule VII of the Companies Act. Sl. No. x Rural development	1. Local area 2. D.K District, Karnataka State	20.06		20.06	Direct
72	Contribution to PMCARES fund for COVID-19: FY 2019-20	Schedule VII of the Companies Act. Sl.No. I Preventive Health Care and Sl. No. xii Disaster management, including relief, rehabilitation and construction activities	1. Others 2. India	100.00	Same as (5). Direct expenditure, no overheads	100.00	Direct
IV	**Prakruthi Samrakshan :**						
1	Restoration and Development of lakes in Dakshina Kannada District.	Schedule VII of the Companies Act. Sl. No. iv conservation of natural resources	1. Local area 2. D.K District, Karnataka State	23.60	Same as (5). Direct expenditure, no overheads	0.00	N/A
2	The Conservation of Biodiversity in Pilikula Nisarga Dhama.	Schedule VII of the Companies Act. Sl. No. iv Animal Welfare	-do-	394.42	-do-	394.42	Direct
3	Development of Public Park near Karkala Taluk Office, Karkala, Udupi District.	Schedule VII of the Companies Act. Sl. No. iv conservation of natural resources	1. Others 2. Udupi District, Karnataka State	177.00	-do-	0.00	N/A

V	**Samskruthi Samrakshan :**						
1	Providing Chairs and Furniture's to "Gilivindu", Rashtrakavi M. Govinda Pai Memorial Site at Manjeshwar, Kasaragod, Kerala State.	Schedule VII of the Companies Act. Sl. No.v Protection of Art	1. Other area 2. Kasaragod District, Kerala State	48.44	Same as (5). Direct expenditure, no overheads	47.53	Direct
2	Proposal for Broadcast of ' MRPL Yakshantharanga ' Kannada programme and 'Gampana Tirgata' Tulu programme in All India Radio (Akashvani), Mangalore.	Schedule VII of the Companies Act. Sl.No.v Protection of art and culture	1. Local area 2. D.K District, Karnataka State	4.29	-do-	1.69	Direct
3	Sponsorship to Manikrishnaswamy Academy Surathkal for "Udayaraga" programme.	Schedule VII of the Companies Act. Sl.No.v Protection of art and culture	1. Local area 2. D.K District, Karnataka State	1.42	-do-	1.34	Direct
4	Financial support for organizing Jodu Kare Kambala in Moodabidri.	Schedule VII of the Companies Act. Sl.No.v Protection of art and culture	-do-	3.54	-do-	3.54	Direct
5	Sponsorship for "Karavalli Utsav" 2019.	Schedule VII of the Companies Act. Sl.No.v Protection of art and culture	-do-	5.90	-do-	5.90	Direct
6	Sponsorship for Kite Festival as part of "Karavali Utsav" 2019.	Schedule VII of the Companies Act. Sl. No.v Protection of art and culture	-do-	5.90	-do-	5.90	Direct
1	Savings from various carry forward projects for the FY 2018-19			0.60		-17.11	N/A
2	Excess provision over expenditure from various carry forward projects for the FY 2018-19			0.00		-2.55	N/A
	TOTAL			**12,260.00**		**7,608.90**	

Annexure - I

SC/ST/OBC REPORT - I

Annual Statement showing the representation of SCs STs and OBCs as on 1st January 2020 and number of appointments made during the Preceding Calendar Year 2019.

Name of the Public Enterprises: Mangalore Refinery and Petrochemicals Ltd

Groups	Representation of SCs/STs/OBCs (As on 01/01/2020)				Number of appointments made during the Calendar year 2019										
					By Direct Recruitment				By Promotion			By Deputation/Absorption			
	Total No. of Employees	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs	OBCs
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**
Group A	367	57	24	85	13	2	1	3	233	12	01	-	-	-	-
Group B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group C	865	128	49	331	-	-	-	-	92	24	06	-	-	-	-
Group D (Excluding Safai Karmacharis)	10	0	0	5	-	-	-	-	-	-	-	-	-	-	-
Group D (Safai Karmacharis)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**1242**	**185**	**73**	**421**	**13**	**2**	**1**	**3**	**325**	**36**	**07**	**-**	**-**	**-**	**-**

The data is of employees joined after MRPL become PSU i.e. 06/01/2005.

Annexure – II

SC/ST/OBC REPORT - II

Annual Statement showing the representation of SCs STs and OBCs in various group 'A' services as on 1st January 2020 and number of appointments made during the Preceding Calendar Year 2019.

Name of the Public Enterprises: Mangalore Refinery and Petrochemicals Ltd

Pay Scales (In Rs)	Representation of SCs/STs/OBCs (As on 01/01/2020)				Number of appointments made during the Calendar year 2019										
					By Direct Recruitment				By Promotion			By Deputation/Absorption			
	Total No. of Employees	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs	OBCs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
60000-180000 (A)	109	10	6	35	10	1	1	3	-	-	-	-	-	-	-
70000-200000 (B)	57	15	4	9	3	1	-	-	33	04	-	-	-	-	-
80000-220000 (C)	73	14	3	18	-	-	-	-	46	-	-	-	-	-	-
90000-240000 (D)	75	14	8	13	-	-	-	-	75	06	01	-	-	-	-
100000-260000 (E)	33	2	2	8	-	-	-	-	31	01	-	-	-	-	-
120000-280000 (F)	11	1	1	1	-	-	-	-	31	01	-	-	-	-	-
120000-280000 (G)	4	-	-	1	-	-	-	-	09	-	-	-	-	-	-
120000-280000 (H)	2	1	-	-	-	-	-	-	04	-	-	-	-	-	-
120000-280000 (H2)	2	-	-	-	-	-	-	-	04	-	-	-	-	-	-
180000-340000 (Dir)	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
200000-370000 (MD)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**367**	**57**	**24**	**85**	**13**	**2**	**1**	**3**	**233**	**12**	**01**	**-**	**-**	**-**	**-**

The data is of employees joined after MRPL become PSU i.e 06/01/2005.

Annexure -III

Annual statement showing representation of the persons with disabilities in service as on 1st January, 2020 and Direct recruitment / promotion during the calendar year 2020.

Name of the Public Enterprises: Mangalore Refinery and Petrochemicals Ltd

Groups	Number of employees (As on 01/01/2020)				Direct Recruitment - 2019							Promotion - 2019						
					No. of Vacancies Reserved			No. of Appointments Made by Recruitment				No. of Vacancies Reserved			No. of Appointments Made by Promotions			
	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**18**	**19**
A	367	1	3	7	1			13	-	-	1	-	-	-	233	-	-	1
B	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	865	0	8	11	-	-	-	-	-	-	-	-	-	-	92	-	-	1
D/DS	10	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**1242**	**1**	**11**	**18**	**1**			**13**	**-**	**-**	**1**	**-**	**-**	**-**	**325**	**-**	**-**	**2**

(I) VH stands for Visually Handicapped (persons suffering from blindness or low vision)

(II) HH stands for Hearing Handicapped (Persons suffering from hearing impairment)

(III) OH stands for Orthopedically Handicapped (persons suffering from locomotor disability or cerebral palsy.

ANNEXURE - C

ANNUAL REPORT FOR THE YEAR ENDING 31ST MARCH 2020 UNDER SECTION 21 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 (PRSH ACT)

Reporting Period	:	FY 2019-20 (01/04/2019 to 31/03/2020)
No. of Complaints received during the year	:	1
No. of Complaints disposed off during the year	:	NIL
No. of cases pending for more than 90 days	:	1
No. of Workshops or Awareness programs	:	Online module with certificate Post-completion for all employees was conducted in the FY 2019-20
Nature of Action	:	Annexure - 1

PRESIDING OFFICER – INTERNAL COMMITTEE, MRPL

ANNEXURE-1

The following action was taken by the employer in respect of the complaints received during the year:

No. of Complaints during the year	:	1
Investigated and Completed by the Committee	:	Investigation of 1 complaint is in progress

Action Taken:		**N.A.**
Written Apology	:	
Warning	:	
Reprimand or Censure	:	
Withholding of Promotion	:	
Withholding of Pay Rise / Increment	:	
Termination	:	
Transfer	:	
Undergo Counselling	:	
Carrying out Community Service		

Sd/-

PRESIDING OFFICER – INTERNAL COMMITTEE, MRPL

ANNEXURE - D

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

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

1. CONSERVATION OF ENERGY

Your Company accords highest priority for energy conservation and takes proactive measures through Process Optimization, Continuous monitoring and Implementation of several Energy Conservation measures.

A. Major Energy conservation measures being implemented/ under consideration for reduction of consumption of energy 2019-20

Sr No	Description of measures	Description of measures
1	Incorporation of Hydrocracker Unit 1 Main fractionator Diesel Circulating Reflux system for heat recovery and MP steam generation..	2913
2	Introduction of Unconverted Oil/ De-mineralisation water Exchanger for heat recovery in Hydrocracker Unit-1	1891
3	Increasing the preheat temperature to recycle splitter feed heater (BA-2101) for reducing heater duty in Hydrocracker Unit-1.	956
4	Laying dedicated line for feeding Hot Vacuum Gas Oil from Crude and Vacuum distillation unit III to Hydrocracker Units 1 and 2.	960
5	Energy Benefit due to additional Combined Feed Exchangers during CCR 2 revamp	766
6	Installation of additional condensate recovery system in Crude and Vacuum distillation unit to recover surplus trap condensate.	20
7	Replacement of inefficient lighting fixtures with energy efficient fixtures in non-hop floor area (Continuation of 2018-19/2019-20 activity)	29
8	Replacement of HPMV and HPSV lights with energy efficient fixtures in plant area (Continuation of 2018-19/2019-20 activity).	360
9	Trimming of impeller of Main cooling water pump (MCW) in Power Plant Phase III	561
10	Pressure Optimisation in Condensate Extraction Pump (CEP) in CPP ½	64
11	Optimization of amine and sour fuel gas flow to amine absorbers and stopping of Fuel gas amine absorber 1.	1329
12	Increase of Inlet Temperature of sour water feed to Sour water Strippers of Phase-I, II & III units.	4116

1 MTOE = Fuel equivalent 10000 kcal/kg

The above measures have resulted in estimated fuel savings of 13,965 Metric Tons of Oil Equivalent (MTOE).

B. Steps taken by the company for utilising alternate sources of energy;

Your company had successfully commissioned the largest solar power project located inside the refinery in the country during last year. The solar plant was fully operational during the financial year and power equivalent to 8.29 million units have been generated thus demonstrating our commitment towards sustainable development and reduction in carbon emissions.

1. TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption;

Process simulation Software modelling for the units was carried out in association with M/S Aspen technology. All the units including catalytic reactors, were modelled for prediction of properties and yields.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution;

MRPL has developed Clarified Homopolymer PP, which can yield superior clarity compared to conventional homo PP grades. Such grades can address the clarity issues and yield quality product at par with random PP.

(iii) In case of imported technology (imported during last 3 years reckoned from the beginning of the financial year) –

a. Flare Gas Recovery System (FGRS)

Details of Technology Import:

FGRS is installed for Phase-3 Hydrocarbon Flare system for recovering the Flare gases. The Recovered flare gas is utilized as a fuel along with Refinery Fuel Gas. The Liquid Ring Compressor used for flare gas recovery has been supplied by M/s Garo Dott Ing Roberto Gabbioneta S.P.A.

Year of Import: FY 2017-18

Whether the technology has been fully absorbed: Yes

b. Dual frequency upgrade of existing two stage bi-electric De salters at Crude Distillation Unit-2

Details of Technology Import:

To process low API heavy crudes, MRPL upgraded the existing two stage bi-electric desalters at Crude Distillation Unit-2 with Dual Frequency desalters by changing electrical grids, transformers, distributors and level transmitters. The technology was provided by M/s Schlumberger erstwhile Petreco International (Middle East) Ltd.

Year of Import: FY 2017-18

Whether the technology has been fully absorbed: Yes

c. FCC Gasoline Treater (FGT)

Details of Technology Import

As a part of BS-VI Projects, Prime G+ technology has been imported from M/s Axens IFP group technologies France, for meeting BS-VI MS Sulphur Specification.

Year of Import: FY 2017-18

Whether the technology has been fully absorbed: The Project is in implementation stage. Anticipated mechanical completion by October, 2020.

d. CCR2 Revamp:

Details of Technology import:

MRPL has increased the design capacity of the unit from 9,474 barrels of fresh stock charge per operating day to 13,586 barrels of fresh stock charge per operating day. Capacity revamp is done through original unit process Licensor M/s UOP Inter-Americana, Inc.

Year of Import: FY 2018-2019. Commissioning date 18/10/2018.

Whether the technology has been fully absorbed: Yes, The technology has been absorbed in FY 2018-19.

e. Chlorosorb Process technology for CCR Unit

Details of technology imported;

A by-product of the regeneration process is the release of HCl and chlorine. The vent gas from the Regeneration Zone is cooled in the Vent Gas Cooler by heat exchange with a slip stream of air from the Cooler Blower. The cooling air is preheated to prevent condensation in the Vent Gas Cooler. The temperature at the outlet of the Vent Gas Cooler is controlled by adjustment of the cooling air flow using a butterfly valve. The vent gas is normally cooled to 143deg.C and then flows through the Adsorption Zone of the Disengaging Hopper before being vented to atmosphere.

The spent catalyst passes from the disengaging zone of the Disengaging Hopper into the Preheat Zone where it is heated by direct contact with N2 that has been heated in a steam heat exchanger. The catalyst then passes from the Preheat Zone to the Adsorption Zone. The catalyst flows from the Adsorption Zone into the Regeneration Tower via a number of catalyst transfer pipes.

Year of import was FY 2018-2019.

Whether the technology has been fully absorbed: Yes.

f. PSA revamp:

Details of Technology import:

MRPL has increased the design feed capacity of the PSA unit from 21593 Nm3/h to 37469Nm3/h. PSA unit provide the pure hydrogen of min.99.9vol% purity. Capacity revamp is done through original unit process Licensor M/s UOP LLC.

Year of Import: FY 2018-2019. Commissioning date 24/10/2018.

Whether the technology has been fully absorbed: Yes, The technology has been absorbed in FY 2018-19.

(iv) <u>Research and Development</u>

1. <u>Specific Areas of R&D:</u>

The R&D activities of MRPL are primarily categorized under technology up gradation, catalyst development, corrosion mitigation, process optimization and niche product development through in-house and/or collaborative projects with other institutions. Apart from in-house research, MRPL has also collaborated with institutes of national repute such as CSIR-NCL, IIT-Guwahati, and NITK Surathkal etc. to attain the aforesaid R&D objectives.

2. BENEFITS DERIVED:

The technologies developed are under various levels of maturity and are expected to be commercialized in future. Process study and modifications suggested by R&D enabled MRPL's BS VI Motor Spirit production in FY 2019-20 with certain operating constrains and limitations, despite delay in commissioning of FGTU. MRPL benefited in terms of intellectual property (IP) creation by filing four new patents in FY 2019-20. Also, for provisional patents filled in previous years, MRPL has filed another four complete patent specifications along with the request for their patent examination in the year 2019-20. With this, MRPL's cumulative count of intellectual property filed in patent form till FY 2019-20 is nine.

Of the patents filed seven patents' application has been completed with full specification and under various stages of examination at Patent Office.

3. FUTURE PLAN OF ACTION:

MRPL has two–pronged future plan of action: Developing the technologies invented/discovered till FY 2019-20 to commercial maturity and carrying out grass root research in-line with MRPL's R&D objective. At least two grass-root research projects and two collaborative research projects have been planned in the short term. About seven invented/discovered technologies are at various levels of technology readiness and commercialization plans are worked out for long-term based on viability and capex studies on a case to case basis.

4. EXPENDITURE ON R&D:

Total R&D expenditure in FY 2019-20 including committed sum is ₹ 675.64 lakhs.

Breakup of the aforesaid expenditure is as follows:

a. Capex:

Total sum is ₹ 385.05 lakhs of which capex items received is ₹ 80.27 lakhs and committed is ₹ 304.78 lakhs.

b. Revenue:

Total sum is ₹ 290.59 lakhs of which expenditure is ₹ 169.08 lakhs while committed is ₹ 121.51 lakhs.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ In Crores)

Particulars	FY 2019- 20	FY 2018- 19
Foreign Exchange Earnings – (FOB value of exports)	16,557	22,171
Foreign Exchange Outgo	45,138	41,447

"ANNEXURE-E"

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	:	L23209KA1988GOI008959
ii)	Registration Date	:	07/03/1988
iii)	Name of the Company	:	Mangalore Refinery and Petrochemicals Limited
iv)	Category / Sub-Category of the Company	:	Schedule "A" Mini Ratna Category 1 - PSU
v)	Address of the Registered office and contact details	:	Mudapadav, Post Kuthethoor, Via-Katipalla, Mangaluru-575 030; Tel.: 0824-2883200 / 01
vi)	Whether listed company	:	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	M/s. Link Intime India Pvt. Ltd, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai- 400 083 Tel.: +91 22 49186270 (Investor Relation Cell) 022 - 49186000 (Board Line) Fax No.: +91 22 49186060 E-mail: mrplirc@linkintime.co.in Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service. *National Product Classification for Manufacturing Sector (NPCMS)	% to total turnover of the company
1.	Refinery	192 - Manufacturing of Refined Petroleum Products	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE / JOINT VENTURE COMPANIES :

Sl. No	Sl. NoName and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of equity shares held	Applicable Section of the Companies Act, 2013
1	Oil and Natural Gas Corporation Limited	L74899DL1993GOI054155	Holding	71.63	2(46)
2	ONGC Mangalore Petrochemicals Limited (OMPL)	U40107KA2006GOI041258	Subsidiary	51.00	2(87)
3	Hindustan Petroleum Corporation Limited	L23201MH1952GOI008858	Associate	16.95	2(6)
4	Shell MRPL Aviation Fuels and Services Limited (SMAFSL)	U51909KA2008PLC045558	Jt. Venture/ Associates	50.00	2(6)
5	Mangalore SEZ Limited	U45209KA2006PLC038590	Associate	NIL	2(6)
6	Petronet MHB Limited	U85110KA1998PLC024020	Associate	NIL	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) as on 31/03/2020

ii) Category-wise Share Holding

	Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Promoter**									
(1)	**Indian**									
(a)	Individuals / HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	1552507615	0	1552507615	88.58	1552507615	0	1552507615	88.58	0.00
(d)	Banks / Financial Institutions	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
	SUB TOTAL: (A)(1)	**1552507615**	**0**	**1552507615**	**88.58**	**1552507615**	**0**	**1552507615**	**88.58**	**0.00**
(2)	**Foreign**									
(a)	NRI- 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 / Financial Institutions	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
	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)	**1552507615**	**0**	**1552507615**	**88.58**	**1552507615**	**0**	**1552507615**	**88.58**	**0.00**
B.	**Public Shareholding**									
(1)	**Institutions**									
(a)	Mutual Funds	31210081	121150	31331231	1.79	48303525	39150	48342675	2.76	0.97
(b)	Banks	286718	11350	298068	0.02	348379	10650	359029	0.02	0.00
(c)	Financial Institutions	23158736	34000	23192736	1.32	22851309	14000	22865309	1.30	-0.02
(d)	Central Govt.	2400	0	2400	0.00	2400	0	2400	0.00	0.00
(e)	State Govt.	500	0	500	0.00	500	0	500	0.00	0.00
(f)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Insurance Companies	0	0	0	0.00	3703721	0	3703721	0.21	0.21
(h)	FIIS	3088862	0	3088862	0.18	100	0	100	0.00	-0.18
(i)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(j)	Unit Trust of India	0	0	0	0.00	0	0	0	0.00	0.00
(k)	Foreign Portfolio Investors (Corporate)	27576119	0	27576119	1.57	12017408	0	12017408	0.69	-0.89
	SUB TOTAL :(B)(1)	**85323416**	**166500**	**85489916**	**4.88**	**87227342**	**63800**	**87291142**	**4.98**	**0.10**
(2)	**Non-Institutions**									
(a)	Bodies Corporate									
i)	Indian	9216290	54425	9270715	0.53	2658838	40650	2699488	0.15	-0.37
ii)	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Individuals	0	0	0	0.00					
(i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh	55864138	19417297	75281435	4.30	58674434	16218322	74892756	4.27	-0.02
(ii)	Individual shareholders holding nominal share capital in excess of ₹1 lakh	6616899	0	6616899	0.38	9068011	0	9068011	0.52	0.14
(c)	NBFCs registered with RBI	28503	0	28503	0.00	17950	0	17950	0.00	0.00
(d)	Others (Specify)									
	IEPF	14562285	0	14562285	0.83	17414830	0	17414830	0.99	0.16
	Non Resident Indians (Non Repat)	815936	200	816136	0.05	794986	200	795186	0.05	0.00
	Non Resident Indians (Repat)	1561750	4190450	5752200	0.33	1972280	3815250	5787530	0.33	0.00
	Foreign Nationals	600	0	600	0.00	600	0	600	0.00	0.00
	Hindu Undivided family	1561595	200	1561795	0.09	1680830	500	1681330	0.10	0.01
	Director/ Relatives	0	0	0	0.00	0	0	0	0.00	0.00
	Trust	50550	1000	51550	0.00	21150	400	21550	0.00	0.00
	Clearing Members	659128	0	659128	0.04	420789	0	420789	0.02	-0.01
	SUB TOTAL :(B)(2)	**90937674**	**23663572**	**114601246**	**6.54**	**92724698**	**20075322**	**112800020**	**6.44**	**-0.10**
	Total Public Shareholding (B)=(B)(1)+(B)(2)	**176261090**	**23830072**	**200091162**	**11.42**	**179952040**	**20139122**	**200091162**	**11.42**	**0.00**
C.	**Shares held by Custodian for GDRs &ADRs**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	0.00	**0.00**
	Grand Total (A)+(B)+(C)	**1728768705**	**23830072**	**1752598777**	**100.00**	**1732459655**	**20139122**	**1752598777**	**100.00**	**0.00**

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Oil And Natural Gas Corporation Limited	1255354097	71.63	0.00	1255354097	71.63	0.00	0.00
2	Hindustan Petroleum Corporation Limited	297153518	16.95	0.00	297153518	16.95	0.00	0.00
	Total	**1552507615**	**88.58**	**0.00**	**1552507615**	**88.58**	**0.00**	**0.00**

iii) Change in Promoters' Shareholding

Sl. No	Name & Type of Transacti on	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Oil And Natural Gas Corporation Limited**				
	At the beginning of the year	**1255354097**	**71.63**	**1255354097**	**71.63**
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the End of the year	**1255354097**	**71.63**	**1255354097**	**71.63**
2	**Hindustan Petroleum Corporation Limited**				
	At the beginning of the year	**297153518**	**16.96**	**297153518**	**16.96**
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the End of the year	**297153518**	**16.96**	**297153518**	**16.96**

No Change in promoter holding during FY 2019-20.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl.	For each of top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. Of Shares Held	% Of Total Shares Of The Company	No Of Shares Held	% Of Total Shares Of The Company
1	**Life Insurance Corporation of India**	**22851209**	**1.3038**	**22851209**	**1.3038**
	At the end of the year			**22851209**	**1.3038**
2	**ICICI Prudential India Opportunities Fund**	**11564645**	**0.6599**	**11564645**	**0.6599**
	12 Apr 2019 (Market Purchase)	185415	0.0106	11750060	0.6704
	19 Apr 2019 (Market Purchase)	249643	0.0142	11999703	0.6847
	26 Apr 2019 (Market Purchase)	1035691	0.0591	13035394	0.7438

	03 May 2019 (Market Purchase)	328238	0.0187	13363632	0.7625
	17 May 2019 (Market Purchase)	2098399	0.1197	15462031	0.8822
	24 May 2019 (Market Purchase)	819733	0.0468	16281764	0.929
	07 Jun 2019 (Market Purchase)	467830	0.0267	16749594	0.9557
	14 Jun 2019 (Market Purchase)	773521	0.0441	17523115	0.9998
	21 Jun 2019 (Market Purchase)	1833627	0.1046	19356742	1.1045
	29 Jun 2019 (Market Purchase)	8550	0.0005	19365292	1.1049
	05 Jul 2019 (Market Purchase)	76378	0.0044	19441670	1.1093
	26 Jul 2019 (Market Purchase)	99	0.0000	19441769	1.1093
	02 Aug 2019 (Market Purchase)	469411	0.0268	19911180	1.1361
	09 Aug 2019 (Market Purchase)	136430	0.0078	20047610	1.1439
	16 Aug 2019 (Market Purchase)	99	0.0000	20047709	1.1439
	23 Aug 2019 (Market Purchase)	205364	0.0117	20253073	1.1556
	30 Aug 2019 (Market Purchase)	99	0.0000	20253172	1.1556
	06 Sep 2019 (Market Purchase)	25650	0.0015	20278822	1.1571
	27 Sep 2019 (Market Purchase)	169	0.0000	20278991	1.1571
	30 Sep 2019 (Market Purchase)	97	0.0000	20279088	1.1571
	04 Oct 2019 (Market Purchase)	97	0.0000	20279185	1.1571
	11 Oct 2019 (Market Purchase)	97	0.0000	20279282	1.1571
	18 Oct 2019 (Market Purchase)	15	0.0000	20279297	1.1571
	25 Oct 2019 (Market Purchase)	98	0.0000	20279395	1.1571
	01 Nov 2019 (Market Purchase)	2	0.0000	20279397	1.1571
	22 Nov 2019 (Market Purchase)	98	0.0000	20279495	1.1571
	13 Dec 2019 (Market Sell)	-78873	-0.0045	20200622	1.1526
	20 Dec 2019 (Market Sell)	-244165	-0.0139	19956457	1.1387
	27 Dec 2019 (Market Purchase)	265341	0.0151	20221798	1.1538
	03 Jan 2020 (Market Sell)	-238513	-0.0136	19983285	1.1402
	10 Jan 2020 (Market Purchase)	97	0.0000	19983382	1.1402
	17 Jan 2020 (Market Purchase)	20199	0.0012	20003581	1.1414
	24 Jan 2020 (Market Sell)	-211445	-0.0121	19792136	1.1293
	31 Jan 2020 (Market Purchase)	1888	0.0001	19794024	1.1294
	07 Feb 2020 (Market Sell)	-127768	-0.0073	19666256	1.1221
	14 Feb 2020 (Market Purchase)	2	0.0000	19666258	1.1221
	06 Mar 2020 (Market Purchase)	245	0.0000	19666503	1.1221
	13 Mar 2020 (Market Purchase)	1128	0.0001	19667631	1.1222
	20 Mar 2020 (Market Purchase)	1717	0.0001	19669348	1.1223
	27 Mar 2020 (Market Purchase)	619	0.0000	19669967	1.1223
	31 Mar 2020 (Market Purchase)	1179	0.0001	19671146	1.1224
	At the end of the year			**19671146**	**1.1224**
3	**Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Midcap Fund**	**18653185**	**1.0643**	**18653185**	**1.0643**
	17 May 2019 (Market Sell)	-1144000	-0.0653	17509185	0.999
	24 May 2019 (Market Sell)	-2708962	-0.1546	14800223	0.8445
	31 May 2019 (Market Sell)	-497000	-0.0284	14303223	0.8161
	29 Jun 2019 (Market Sell)	-300000	-0.0171	14003223	0.799
	30 Aug 2019 (Market Sell)	-50000	-0.0029	13953223	0.7961
	06 Sep 2019 (Market Sell)	-63423	-0.0036	13889800	0.7925
	27 Sep 2019 (Market Purchase)	300000	0.0171	14189800	0.8096
	11 Oct 2019 (Market Purchase)	186000	0.0106	14375800	0.8203
	25 Oct 2019 (Market Sell)	-21937	-0.0013	14353863	0.819
	01 Nov 2019 (Market Sell)	-169000	-0.0096	14184863	0.8094
	20 Dec 2019 (Market Sell)	-422463	-0.0241	13762400	0.7853
	31 Dec 2019 (Market Purchase)	119989	0.0068	13882389	0.7921
	03 Jan 2020 (Market Purchase)	589796	0.0337	14472185	0.8258
	07 Feb 2020 (Market Purchase)	100000	0.0057	14572185	0.8315
	13 Mar 2020 (Market Purchase)	12953	0.0007	14585138	0.8322
	At the end of the year			**14585138**	**0.8322**

4	**Reliance Capital Trustee Co Ltd- A/C Nippon India Growth Fund**	**19146**	**0.0011**	**19146**	**0.0011**
	05 Apr 2019 (Market Purchase)	1560	0.0001	20706	0.0012
	12 Apr 2019 (Market Purchase)	3456	0.0002	24162	0.0014
	19 Apr 2019 (Market Purchase)	1344	0.0001	25506	0.0015
	26 Apr 2019 (Market Purchase)	384	0.0000	25890	0.0015
	03 May 2019 (Market Purchase)	361	0.0000	26251	0.0015
	10 May 2019 (Market Sell)	-9462	-0.0005	16789	0.001
	17 May 2019 (Market Purchase)	960	0.0001	17749	0.001
	24 May 2019 (Market Purchase)	443	0.0000	18192	0.001
	31 May 2019 (Market Purchase)	5328	0.0003	23520	0.0013
	07 Jun 2019 (Market Purchase)	1152	0.0001	24672	0.0014
	14 Jun 2019 (Market Sell)	-240	0.0000	24432	0.0014
	21 Jun 2019 (Market Purchase)	528	0.0000	24960	0.0014
	29 Jun 2019 (Market Purchase)	92	0.0000	25052	0.0014
	05 Jul 2019 (Market Purchase)	1440	0.0001	26492	0.0015
	12 Jul 2019 (Market Purchase)	624	0.0000	27116	0.0015
	19 Jul 2019 (Market Purchase)	1299	0.0001	28415	0.0016
	26 Jul 2019 (Market Purchase)	576	0.0000	28991	0.0017
	02 Aug 2019 (Market Purchase)	28	0.0000	29019	0.0017
	09 Aug 2019 (Market Purchase)	1248	0.0001	30267	0.0017
	16 Aug 2019 (Market Purchase)	240	0.0000	30507	0.0017
	23 Aug 2019 (Market Purchase)	288	0.0000	30795	0.0018
	30 Aug 2019 (Market Purchase)	675	0.0000	31470	0.0018
	06 Sep 2019 (Market Purchase)	144	0.0000	31614	0.0018
	13 Sep 2019 (Market Purchase)	336	0.0000	31950	0.0018
	20 Sep 2019 (Market Purchase)	336	0.0000	32286	0.0018
	27 Sep 2019 (Market Purchase)	11634	0.0007	43920	0.0025
	04 Oct 2019 (Market Purchase)	192	0.0000	44112	0.0025
	11 Oct 2019 (Market Purchase)	1152	0.0001	45264	0.0026
	18 Oct 2019 (Market Purchase)	288	0.0000	45552	0.0026
	01 Nov 2019 (Market Purchase)	432	0.0000	45984	0.0026
	08 Nov 2019 (Market Purchase)	144	0.0000	46128	0.0026
	15 Nov 2019 (Market Sell)	-611	0.0000	45517	0.0026
	22 Nov 2019 (Market Sell)	-588	0.0000	44929	0.0026
	29 Nov 2019 (Market Sell)	-12344	-0.0007	32585	0.0019
	06 Dec 2019 (Market Sell)	-2301	-0.0001	30284	0.0017
	13 Dec 2019 (Market Purchase)	261	0.0000	30545	0.0017
	20 Dec 2019 (Market Purchase)	28	0.0000	30573	0.0017
	27 Dec 2019 (Market Purchase)	2137	0.0001	32710	0.0019
	31 Dec 2019 (Market Purchase)	47	0.0000	32757	0.0019
	03 Jan 2020 (Market Purchase)	1410	0.0001	34167	0.0019
	10 Jan 2020 (Market Purchase)	187	0.0000	34354	0.002
	17 Jan 2020 (Market Purchase)	3002397	0.1713	3036751	0.1733
	24 Jan 2020 (Market Purchase)	4501833	0.2569	7538584	0.4301
	31 Jan 2020 (Market Purchase)	949408	0.0542	8487992	0.4843
	07 Feb 2020 (Market Purchase)	502491	0.0287	8990483	0.513
	14 Feb 2020 (Market Purchase)	347	0.0000	8990830	0.513
	21 Feb 2020 (Market Sell)	-2162	-0.0001	8988668	0.5129
	28 Feb 2020 (Market Purchase)	499766	0.0285	9488434	0.5414
	06 Mar 2020 (Market Purchase)	746041	0.0426	10234475	0.584
	13 Mar 2020 (Market Purchase)	571518	0.0326	10805993	0.6166
	20 Mar 2020 (Market Purchase)	949566	0.0542	11755559	0.6708
	27 Mar 2020 (Market Sell)	-329	0.0000	11755230	0.6707
	31 Mar 2020 (Market Purchase)	2491	0.0001	11757721	0.6709
	At the end of the year			**11757721**	**0.6709**

5	**Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Funds**	**4165114**	**0.2377**	**4165114**	**0.2377**
	20 Dec 2019 (Market Sell)	-54791	-0.0031	4110323	0.2345
	27 Dec 2019 (Market Sell)	-247021	-0.0141	3863302	0.2204
	07 Feb 2020 (Market Sell)	-108696	-0.0062	3754606	0.2142
	14 Feb 2020 (Market Sell)	-344000	-0.0196	3410606	0.1946
	28 Feb 2020 (Market Sell)	-4937	-0.0003	3405669	0.1943
	06 Mar 2020 (Market Sell)	-165870	-0.0095	3239799	0.1849
	13 Mar 2020 (Market Sell)	-120981	-0.0069	3118818	0.178
	27 Mar 2020 (Market Sell)	-174485	-0.0100	2944333	0.168
	31 Mar 2020 (Market Sell)	-13748	-0.0008	2930585	0.1672
	At the end of the year			**2930585**	**0.1672**
6	**Vanguard Total International Stock Index Fund**	**3005465**	**0.1715**	**3005465**	**0.1715**
	26 Apr 2019 (Market Sell)	-77323	-0.0044	2928142	0.1671
	At the end of the year			**2928142**	**0.1671**
7	**HDFC Life Insurance Company Limited**	**2566548**	**0.1464**	**2566548**	**0.1464**
	17 May 2019 (Market Sell)	-200000	-0.0114	2366548	0.135
	07 Jun 2019 (Market Purchase)	200000	0.0114	2566548	0.1464
	05 Jul 2019 (Market Sell)	-1173	-0.0001	2565375	0.1464
	19 Jul 2019 (Market Sell)	-25593	-0.0015	2539782	0.1449
	26 Jul 2019 (Market Purchase)	159	0.0000	2539941	0.1449
	02 Aug 2019 (Market Sell)	-64	0.0000	2539877	0.1449
	09 Aug 2019 (Market Sell)	-258	0.0000	2539619	0.1449
	16 Aug 2019 (Market Sell)	-240	0.0000	2539379	0.1449
	23 Aug 2019 (Market Sell)	-240	0.0000	2539139	0.1449
	30 Aug 2019 (Market Sell)	-220	0.0000	2538919	0.1449
	06 Sep 2019 (Market Sell)	-559	0.0000	2538360	0.1448
	20 Sep 2019 (Market Sell)	-111	0.0000	2538249	0.1448
	27 Sep 2019 (Market Sell)	-222	0.0000	2538027	0.1448
	04 Oct 2019 (Market Sell)	-220	0.0000	2537807	0.1448
	11 Oct 2019 (Market Sell)	-2096	-0.0001	2535711	0.1447
	18 Oct 2019 (Market Sell)	-335	0.0000	2535376	0.1447
	25 Oct 2019 (Market Sell)	-164	0.0000	2535212	0.1447
	01 Nov 2019 (Market Sell)	-412	0.0000	2534800	0.1446
	15 Nov 2019 (Market Sell)	-518	0.0000	2534282	0.1446
	22 Nov 2019 (Market Sell)	-188	0.0000	2534094	0.1446
	29 Nov 2019 (Market Sell)	-389	0.0000	2533705	0.1446
	06 Dec 2019 (Market Sell)	-384	0.0000	2533321	0.1445
	13 Dec 2019 (Market Sell)	-215	0.0000	2533106	0.1445
	20 Dec 2019 (Market Sell)	-1120	-0.0001	2531986	0.1445
	27 Dec 2019 (Market Sell)	-122	0.0000	2531864	0.1445
	31 Dec 2019 (Market Sell)	-90	0.0000	2531774	0.1445
	10 Jan 2020 (Market Sell)	-1780	-0.0001	2529994	0.1444
	17 Jan 2020 (Market Sell)	-41	0.0000	2529953	0.1444
	24 Jan 2020 (Market Sell)	-75	0.0000	2529878	0.1444
	31 Jan 2020 (Market Sell)	-76	0.0000	2529802	0.1443
	07 Feb 2020 (Market Sell)	-27448	-0.0016	2502354	0.1428
	06 Mar 2020 (Market Sell)	-60	0.0000	2502294	0.1428
	At the end of the year			**2502294**	**0.1428**
8	**Emerging Markets Core Equity Portfolio (The Portfolio) Of Dfa Investment Dimensions Group Inc. (DFAIDG)**	**1596436**	**0.0911**	**1596436**	**0.0911**
	29 Jun 2019 (Market Purchase)	44061	0.0025	1640497	0.0936
	06 Mar 2020 (Market Sell)	-24305	-0.0014	1616192	0.0922
	20 Mar 2020 (Market Sell)	-29138	-0.0017	1587054	0.0906
	27 Mar 2020 (Market Sell)	-78	0.0000	1586976	0.0905

	31 Mar 2020 (Market Sell)	-39785	-0.0023	1547191	0.0883
	At the end of the year			**1547191**	**0.0883**
9	**PGIM India Trustees Private Limited A/C PGIM India Long Term Equity Fund**	**0**	**0**	**0**	**0**
	11 Oct 2019 (Market Purchase)	249834	0.0143	249834	0.0143
	18 Oct 2019 (Market Purchase)	510139	0.0291	759973	0.0434
	25 Oct 2019 (Market Purchase)	400800	0.0229	1160773	0.0662
	01 Nov 2019 (Market Purchase)	407410	0.0232	1568183	0.0895
	08 Nov 2019 (Market Purchase)	247590	0.0141	1815773	0.1036
	15 Nov 2019 (Market Purchase)	31147	0.0018	1846920	0.1054
	29 Nov 2019 (Market Purchase)	20000	0.0011	1866920	0.1065
	13 Dec 2019 (Market Purchase)	80000	0.0046	1946920	0.1111
	17 Jan 2020 (Market Purchase)	148391	0.0085	2095311	0.1196
	24 Jan 2020 (Market Purchase)	852000	0.0486	2947311	0.1682
	21 Feb 2020 (Market Sell)	-32464	-0.0019	2914847	0.1663
	28 Feb 2020 (Market Sell)	-356190	-0.0203	2558657	0.146
	06 Mar 2020 (Market Sell)	-270030	-0.0154	2288627	0.1306
	20 Mar 2020 (Market Sell)	-339901	-0.0194	1948726	0.1112
	27 Mar 2020 (Market Sell)	-401806	-0.0229	1546920	0.0883
	At the end of the year			**1546920**	**0.0883**
10	**The Emerging Markets Small Cap Series Of The DFA Investment Trust Company**	**570357**	**0.0325**	**570357**	**0.0325**
	26 Apr 2019 (Market Purchase)	82969	0.0047	653326	0.0373
	03 May 2019 (Market Purchase)	23903	0.0014	677229	0.0386
	10 May 2019 (Market Purchase)	23795	0.0014	701024	0.0400
	31 May 2019 (Market Purchase)	12807	0.0007	713831	0.0407
	21 Jun 2019 (Market Purchase)	73033	0.0042	786864	0.0449
	29 Jun 2019 (Market Purchase)	28139	0.0016	815003	0.0465
	02 Aug 2019 (Market Purchase)	15246	0.0009	830249	0.0474
	09 Aug 2019 (Market Purchase)	35129	0.0020	865378	0.0494
	08 Nov 2019 (Market Purchase)	28632	0.0016	894010	0.0510
	22 Nov 2019 (Market Purchase)	47504	0.0027	941514	0.0537
	29 Nov 2019 (Market Purchase)	15784	0.0009	957298	0.0546
	06 Dec 2019 (Market Purchase)	15803	0.0009	973101	0.0555
	At the end of the year			**973101**	**0.0555**

(v) Shareholding of Directors and Key Managerial Personnel:

Sl.	**For each of top 10 shareholders**	**Shareholding at the beginning of the year**		**Cumulative Shareholding at the end of the year**	
		No. Of Shares Held	**% Of Total Shares Of The Company**	**No Of Shares Held**	**% Of Total Shares Of The Company**
1	**Shri Shashi Shanker, Chairman**				
	At the beginning of the year	**0**	**0.00**	**0**	**0.00**
	No transaction/ transfer/ bonus/ sweat equity etc.	0	0	0	0
	At the end of the year			**0**	**0**
2	**Shri M. Venkatesh, Managing Director and CEO**				
	At the beginning of the year	**0**	**0.00**	**0**	**0.00**
	No transaction/ transfer/ bonus /sweat equity etc.	0	0	0	0
	At the end of the year			**0**	**0.00**
3	**Shri M Vinayakumar, Director (Refinery)**				
	At the beginning of the year	**200**	**0.00**	**200**	**0.00**
	No transaction/ transfer/ bonus/ sweat equity etc.	0	0	0	0
	At the end of the year			**200**	**0.00**

4.	**Smt. Pomila Jaspal, Director (Finance) and Chief Executive Officer**				
	At the beginning of the year	**0**	**0.00**	**0**	**0.00**
	No transaction/ transfer/ bonus /sweat equity etc.	0	0	0	0
	At the end of the year			**0**	**0.00**
5.	**Shri Subhash Kumar, Director**				
	At the beginning of the year	**0**	**0.00**	**0**	**0.00**
	No transaction/ transfer/ bonus /sweat equity etc.	0	0	0	0
	At the end of the year			**0**	**0.00**
6.	**Shri Vinod S. Shenoy , Director**				
	At the beginning of the year	**0**	**0.00**	**0**	**0.00**
	No transaction/ transfer / bonus /sweat equity etc.	0	0	0	0
	At the end of the year			**0**	**0.00**
7.	**Shri Vijay Sharma, Director**				
	At the beginning of the year	**0**	**0.00**	**0**	**0.00**
	No transaction/ transfer / bonus /sweat equity etc.	0	0	0	0
	At the end of the year			**0**	**0.00**
8.	**Shri Sunil Kumar, Director**				
	At the beginning of the year	**0**	**0.00**	**0**	**0.00**
	No transaction/ transfer / bonus /sweat equity etc.	0	0	0	0
	At the end of the year			**0**	**0.00**
9.	**Shri Balbir Singh, Independent Director**				
	At the beginning of the year	**0**	**0.00**	**0**	**0.00**
	No transaction/ transfer / bonus /sweat equity etc.	0	0	0	0
	At the end of the year			**0**	**0.00**
10.	**Dr. G.K. Patel, Independent Director**				
	At the beginning of the year	**0**	**0.00**	**0**	**0.00**
	No transaction/ transfer/ bonus/ sweat equity etc.	**0**	**0**	**0**	**0**
	At the end of the year			**0**	**0.00**
11.	**Shri V.P. Haran, Independent Director**				
	At the beginning of the year	**0**	**0.00**	**0**	**0.00**
	No transaction/ transfer/ bonus/ sweat equity etc.	0	0	0	0
	At the end of the year			**0**	**0.00**
12.	**Shri Sewa Ram, Independent Director**				
	At the beginning of the year	**0**	**0.00**	**0**	**0.00**
	No transaction/ transfer/ bonus/ sweat equity etc.	0	0	0	0
	At the end of the year			**0**	**0.00**
13.	**Shri R. T. Agarwal, Independent Director**				
	At the beginning of the year	**0**	**0.00**	**0**	**0.00**
	No transaction/ transfer/ bonus/ sweat equity etc.	0	0	0	0
	At the end of the year			**0**	**0.00**
14.	**Shri Dinesh Mishra, Company Secretary**				
	At the beginning of the year	**0**	**0.00**	**0**	**0.00**
	No transaction/ transfer/ bonus/ sweat equity etc.	0	0	0	0
	At the end of the year			**0**	**0.00**

Notes:

1. Shri M.Vinayakumar was appointed as Director (Refinery) w.e.f.11/07/2019
2. Smt. Pomila Jaspal was appointed as Director (Finance) w.e.f.15/10/2019 and as Chief Financial officer w.e.f. 04/11/2019
3. Shri R. T. Agarwal, Shri Sunil Kumar and Shri Vijay Sharma were appointed on the board of MRPL respectively on 12/07/2019, 17/10/2019 and 08/01/2020.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment as on 31/03/2020

(₹ in crore)

	Secured	Unsecured	Deposits	Total
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,006.95	6,124.09	-	9,131.04
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	23.64	20.02	-	43.66
Total (i+ii+iii)	**3,030.59**	**6,144.11**	**-**	**9,174.70**
Change in Indebtedness during the financial year				
i) Addition	716.45	7,787.75	-	8,504.21
ii) Reduction	330.80	5,429.72	-	5,760.51
Net Change	385.66	2,358.03	-	2,743.69
Indebtedness at the end of the financial year				
i) Principal Amount	3,373.87	8,437.23	-	11,811.10
ii) Interest due but not paid	**-**	**-**	**-**	**-**
iii) Interest accrued but not due	19.83	43.05	-	62.88
Total (i+ii+iii)	**3,393.70**	**8,480.28**	**-**	**11,873.98**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director & Whole-time Directors:

(₹ in crore)

Sl. No.	Particulars of Remuneration	Shri M. Venkatesh	Shri M. Vinayakumar	Smt. Pomila Jaspal	Total
		• Managing Director • Director Refinery till 10/07/2019 Director Finance till 14/10/2019	• Director (Refinery) from 11/07/2019	• Director (Finance) from 15/10/2019 CFO from 04/11/2019	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	43.30	27.85	21.36	**92.51**
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	6.18	3.92	0.13	**10.23**
(c)	Profits in lieu of salary under section 17(3) Incometax Act, 1961	-	-	-	**-**
2	Stock Option	-	-	-	**-**
3	Sweat Equity	-	-	-	**-**
4	Commission as % of profit	-	-	-	**-**
	Total	**49.48**	**31.77**	**21.49**	**102.74**

Notes:

1. **Shri M Vinayakymar was appointed as Director (Refinery) w.e.f. 11/07/2019**
2. **Smt. Pomila Jaspal was appointed as Director (Finance) w.e.f. 15/10/2019**
3. **Shri M Venkatesh ceased to be Director (Refinery) w.e.f. 10/07/2019 and Director (Finance) w.e.f. 14/10/2019.**

B. Remuneration to other directors:

(Sitting fees for Independent Directors for the FY 2019-20)

(₹ in Lakhs)

Independent Director	Sitting Fees
Shri Balbir Singh	6.00
Dr. G. K. Patel	6.00
Shri V. P. Haran	8.40
Shri Sewa Ram	7.80
Shri R. T. Agarwal	2.10
Ms. Manjula C (Upto 31/01/2020)	4.40
Shri Vivek Mallya (Upto 30/01/2020)	4.70
Total	**39.40**

C. Remuneration to Key Managerial Personnel other than MD & Whole Time Director

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Shri Dinesh Mishra Company Secretary	Shri. S Raviprasad Chief Financial Officer (up to 04/11/2019)
1	Gross salary		
(a)	Salary as per provisions contained in section 17(1)		
	of the Income-tax Act, 1961	36.13	22.29
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	1.70	3.31
(c)	Profits in lieu of salary under section 17(3) Incometax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Others	-	-
	Total	**38.83**	**25.60**

Note: Smt. Pomila Jaspal was appointed as Chief Financial Officer w.e.f 04/11/2019 in place of Shri. S Raviprasad.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

There were no cases of any penalty, punishment or compounding of offences under the Companies Act, 2013 and Rules made thereunder reported during the FY 2019-20.

Anexuture F

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with Related Parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Detail of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrange-ments/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the con-tracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as ad-vances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	Nil	Nil	Nil	Nil	Nil	Nil	Nil

2. Details of material contracts or arrangements or transactions at arm's length basis

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the con-tracts/ arrange-ments/ transactions	Salient terms of the contracts or arrangements or transactions includ-ing the value, if any	Date(s) of approval by the Board/ Audit Committee	Amount paid as ad-vances, if any
1(a)	ONGC Mangalore Petrochemicals Ltd- (Subsidiary)	Transfer of Feed stock from MRPL and return streams from OMPL. Providing facilitation services to OMPL.	W.e.f 15/ 01/2019 validity 10 years along with side letter to agreement w.e.f. 23/ 10/2019	Transfer of Feed stock from MRPL and return streams from OMPL and providing facilitation services to OMPL at mutually agreed term sheet. Side letter to agreement for extension of credit term backed by bill discounting facility.	02/01/2019 and 11/04/ 2019 (for bill discounting facility)	Nil
1(b)	ONGC Mangalore Petrochemicals Ltd- (Subsidiary)	Backstopping support for Compulsorily convertible debentures	W.e.f 05/ 03/2020 valid for 3 years	Backstopping support in proportion to the shareholding in OMPL for Compulsorily convertible debentures issued by OMPL including interest accrued thereon, as part of Capital Realignment Plan.	11/04/2019	Nil

2(a)	ONGC*	Crude Oil Sale Agreement	W.e.f 01/04/2018 to 31/03/ 2023	Purchase of crude oil from ONGC at the delivery point of the quantity allocated at prices fixed as per price built up formula.	#	Nil
2(b)	ONGC *	Supply of HFHSD at ONGC offshore locations	02/09/2016 to 25/07/ 2021	Supply of HFHSD at ONGC offshore locations by free delivery at MRPL Jetty, Mangalore as and when required.	#	Nil
3	ONGC Campos LTDA	Technical and Administrative service Agreement	01/03/2018 to 20/02/2020	Services for Marketing of Crude oil and related management services at predetermined cost as per agreed terms		Nil
4	Shell MRPL Aviation Fuels & Services Ltd.	Jet Fuel Sale Purchase & Infrastructure sharing Agreement	Ongoing Contract	Sale and purchase of Jet fuel in line with the domestic sale to Oil Marketing company in India and sharing of infrastructure at prices fixed as per price built up formula.	#	Nil
5	Hindustan Petroleum Corporation Limited (HPCL)- Promoter Company	MOU between MRPL & HPCL for Product Sale-Purchase, Providing Infrastructure services and Co-operation in Energy & Related fields	Ongoing Contract	(1) Product sale-purchase, providing infrastructure services and co-operation in Energy and related fields. Pricing for products (MS/HSD/SKO/ATF/LPG) shall be in line with PSU OMCs' existing terms as prevailing from time to time, unless otherwise mutually agreed. (2) HPCL shall offer Road and Rail terminalling services under hospitality arrangements from HPCL's Mangalore, Hassan and Devangunthi Terminals to MRPL for supplies to ROs/ Customers.	#	Nil
6(a)	Mangalore SEZ Limited	Agreement for Supply of Water and Disposal of Treated Effluents	Ongoing Contract	Development of water infrastructure & treated effluent disposal infrastructure for MRPL in the land acquired by MSEZL, comprising of setting up of water sourcing infrastructure, pipeline conveyance system upto the battery limits of MRPL, storing and distributing water and setting up the necessary infrastructure for disposal of treated effluents.	14/09/2014	Nil
6(b)	Mangalore SEZ Limited	Setting up Pipeline cum Road Corridor	w.e.f. 19/03/2016	MRPL is entitled to utilize the pipe rack/ sleepers section of the pipeline-cum-road corridor for the purpose of the operations and also assigned right of way to the extent of "effective space" utilized.	09/03/2016	Nil
6(c)	Mangalore SEZ Limited	Setting up PP-Petcoke evacuation road & truck parking	w.e.f 05/02/2016	MRPL has paid onetime non-refundable amount ₹11.34 crores to MSEZL towards construction of evacuation road (10.1757 acres) along with truck parking area (1.30 acres). Lease period of above said agreement commences from 05/12/ 2016 and valid till 27/01/2060.	03/01/2017	Nil

7(a)	Petronet MHB limited	Transportation of petroleum products through Pipeline	w.e.f 01/04/2003	MRPL is utilizing the services of pipeline of PMHBL for transfer of Petroleum products from Mangalore to Hassan and Devangunthi as per PNGRB notified Tariff.	As per Notified Tariff	Nil
7(b)	Petronet MHB limited	Supply of Power to PMHBL	w.e.f 01/04/2003	MRPL supplies power to PMHBL and power cost is reimbursed by PMHBL at MESCOM Notified Tariffs.	As per Notified Tariff	Nil
7(c)	Petronet MHB limited	Agreement for leasing of PMHBL pipeline corridor facility up to PMHBL Mass Flow Meter	w.e.f 05/08/2019 validity 10 years	MRPL uses pipeline corridor at Petronet's pumping station at Mangalore for its supply of petroleum products to OMC's at Hassan and Devangunthi. MRPL's pays lease rent for the pipeline corridor and Mass Flow Meter installed by Petronet MHB Ltd. The lease rent for Mass Flow Meter was payable till the date (12.03.2020). MRPL has subsequently installed its own Mass Flow Meter.	10/06/2019	Nil

*Government Companies
Not Applicable

ANNEXURE 'G'

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,

The Members,

Mangalore Refinery and Petrochemicals Limited,

CIN: L23209KA1988GOI008959

Regd. Office: Mudapadav, Post Kuthethoor,

Via Katipalla, Mangalore – 575030

Karnataka

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mangalore Refinery and Petrochemicals 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 our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions 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 the Company for the financial year ended on 31st March, 2020 according to the provisions of:

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

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

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

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

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable, as the Company has not offered any shares or granted any options pursuant to any employee benefits scheme during the financial year under review).**

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

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable, as the Company has not delisted/proposed to delist its equity shares from any Stock Exchange during the financial year under review);** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable, as the Company has not bought back/proposed to Buyback any of its securities during the financial year under review).**

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

a) Petroleum Act, 1934 and Rules made thereunder,

b) India Boiler Act, and rules and regulations thereunder,

c) Provision of Gas Cylinder Rules,

d) Guidelines on Corporate Governance for Central Public Sector Enterprises as stipulated in the O.M. No.18(8)/2005-GM dated 14th May, 2010 issued by Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India.

e) Guidelines on Capital Restructuring of Central Public Sector Enterprises (CPSEs) as stipulated in the O.M.F.No.5/2/2016-Policy dated 27th May, 2016 issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Government of India.

(vii) The Factories Act, 1948; The Contract Labour (Regulation & Abolition) Act, 1970, The Industrial Employment (Standing orders) Act, 1946, The Payment of Wages Act, 1936, Industrial Disputes Act, 1947, the Employees State Insurance Act,1948, Indian Electricity Act, 2003 and Indian Electricity Rules, 1956.

(viii) Provisions of The Water (Prevention & Control of Pollution) Act, 1974 and The Air (Prevention & Control of Pollution) Act, 1981 and rules made thereunder.

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

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

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except to the extent as mentioned below;

The Company did not have:

1. Requisite number of Independent Directors on its Board as required under Regulation 17 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 3.1.4 of DPE Guidelines on Corporate Governance with regard to Composition of the Board of Directors for the period from 15/10/2019 to 31/03/2020.
2. Independent Woman Director on its Board as required under Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the period from 01/02/2020 to 31/03/2020.

We further report that,

- The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on 31st March, 2020. 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 except that the Company did not have the requisite number of Independent Directors including Independent Woman Director as required under the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 as mentioned above. BSE and NSE had levied monetary fine(s) for non-compliance with Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 31st December, 2019.

- MRPL, being a Central Public Sector Enterprise (CPSE) the appointment of Directors on the Board of the Company are made by the Administrative Ministry, i.e., Ministry of Petroleum and Natural Gas (MoP&NG), Government of India (GoI). MRPL has been continuously following up with MoP&NG for appointment of requisite number of Independent Directors on the Board of MRPL and the same has been under active consideration with MoP&NG.
- Adequate notice is given to all directors to schedule the Board Meetings including committees thereof along with agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the members' views were 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 Financial Year 2019-20, MRPL has issued Unsecured Redeemable Non-Convertible Fixed Rate Debentures of worth ₹2,560/- crore through Private Placement in three tranches with interest rate of 6.64% p.a., 7.40% p.a. and 7.75% p.a. respectively.

For **Kumar Naresh Sinha & Associates**
Company Secretaries

Sd/-
C S Naresh Kumar Sinha
(Proprietor)FCS: 1807
C P No.: 14984
PR : 610/2019
UDIN: F001807B000378271

Place: Noida
Date: 25/06/2020

This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.

Annexure - 1

To,

The Members
Mangalore Refinery and Petrochemicals Limited
Mudapadav, Post Kuthethoor,
Via. Katipalla, Mangalore-575030,
Karnataka

Our report of even date is to be read with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. In view of the situation emerging out of the outbreak of COVID-19 Pandemic, we could not examine physical documents, records & other papers etc. of the Company for the year ended 31st March, 2020 and the documents/informations required by us were provided through electronic mode.

For Kumar Naresh Sinha & Associates
Company Secretaries

Sd/-
Naresh Kumar Sinha
Proprietor
FCS: 1807, COP: 14984
PR: 610/2019
UDIN: F001807B000378271

Date: 25/06/2020
Place: Noida

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Mangalore Refinery and Petrochemicals Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Mangalore Refinery and Petrochemicals Limited** having CIN L23209KA1988GOI008959 and registered office at Mudapadav, Kuthethoor Post, Via Katipalla, Mangalore - 575030 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of Appointment in Company	Date of Cessation
1.	Shri Shashi Shanker	06447938	01/10/2017	Continuing
2.	Shri Venkatesh Madhava Rao	07025342	01/04/2015	Continuing
3.	Shri Mundanat Vinayakumar	08225553	11/07/2019	#Continuing
4.	Smt. Pomila Jaspal	08436633	15/10/2019	Continuing
5.	Shri Subhash Kumar	07905656	15/05/2018	Continuing
6.	Shri Vinod Sadanand Shenoy	07632981	08/11/2016	Continuing
7.	Shri Mahesh Kodihally Mahadevprasad	07402110	24/11/2017	17/10/2019
8.	Shri Sanjay Kumar Jain	08015083	24/11/2017	08/01/2020
9.	Shri Vivek Mallya	05311763	07/01/2019	30/01/2020
10.	Ms. Manjula Cheluvegowda	07733175	31/01/2017	31/01/2020
11.	Shri Vijay Sharma	08045837	08/01/2020	Continuing

12.	Shri Sunil Kumar	08467559	17/10/2019	Continuing
13.	Shri Sewa Ram	01652464	08/09/2017	Continuing
14.	Shri Balbir Singh	07945679	08/09/2017	Continuing
15.	Shri Virupakshan Pranatharthiharan	07710821	08/09/2017	Continuing
16.	Dr. Gunvant Kantilal Patel	07945704	08/09/2017	Continuing
17.	Shri Ram Tirath Agarwal	01937329	12/07/2019	Continuing

Shri Mundanat Vinayakumar (DIN: 08225553) ceased to be Director w.e.f 31/05/2020.

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Kumar Naresh Sinha & Associates
Company Secretaries

Sd/-
CS Naresh Kumar Sinha
(Proprietor)
FCS: 1807
C P No.: 14984
PR: 610/19
UDIN: F001807B000378568

Place: Noida
Date: 25/06/2020

Annexure H

Date: 07/08/2020

To

The Managing Director,
Mangalore Refinery and Petrochemicals Limited,
Mangalore

Sir,

Sub: Management letter on the audit of Standalone Financial Statements and Consolidated Financial Statements of MRPL for the year 2019-20.

I have audited the Standalone Financial Statements and Consolidated Financial Statements of MRPL for the year 2019-20. Certain deficiencies noticed as detailed below, were not issued as Audit Comments. However, the same is brought to your notice for corrective and remedial action.

I. Standalone Financial Statements

Provisional Comment - 1

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

Non-current Assets: (g) Financial Assets: (i) Investments: Note 11 -217,576.56 million - Note 11.1 Investments in Equity Instruments - Unquoted Investments (all fully paid up): (i) Investment in Subsidiary - ONGC Mangalore Petrochemicals Limited (at cost, Face value of 210 per share) - 217,426.37 million and also refer note 11.1.2 thereon

The company disclosed under Note 11.1.2 that there exists a backstopping arrangement towards Compulsory Convertible Debentures (CCD) issued by the subsidiary, ONGC Mangalore Petrochemicals Limited (OMPL), to the extent of 25,100 million and cumulative coupon amount for three years.

These CCDs are issued to private firms and the company has contractual obligation to discharge the debentures and simultaneously get it converted into equity of OMPL. The contractual obligation to deliver cash to another entity is not recognised as financial liability as per Ind AS 32. Further Accounting Policy (Note 3.20) of the company states, “Financial Assets and Financial Liabilities are recognised when Company becomes a party to the contractual provisions of the instruments”.

The company neither recognised the liability nor asset which has resulted in non-compliance of Ind AS 32 and Company’s own accounting policy.

I. Consolidated Financial Statements Provisional Comment - 1

Note 3 Significant Group Accounting Policies

Note 3.25.1.1 Compound Financial Instruments and Significant Accounting Policies (Note 3.20) of the Parent (MRPL); Significant Accounting Policy of the subsidiary (OMPL) Note 3.20.1.2

There are material differences in the Accounting Policy of the subsidiary Note 3.20.1.2 of OMPL and the Accounting Policy of the Group, Note 3.25.1.1 which clearly states, "A conversion option that will be settled by the exchange of a fixed amount of cash or Financial Asset for a fixed number of the Equity Instruments is an Equity Instrument". The policy disclosed by the subsidiary is not having this statement. Therefore, the accounting treatment given on consolidation is against policy as the related documents reveals the fact that at the time of conversion variable number of Equity Instruments would be exchanged based on valuation at the end of the tenure of the Financial Instruments. Further for estimating the fair value of liability component subsidiary adopted policy using the prevailing market interest rate of convertible debt instruments whereas Group policy states about that of non-convertible instruments.

However, parent of the Group (MRPL) not disclosed any Accounting Policy (Note 3.20 — Financial Instruments, of Standalone Financial Statement) for measurement of Combined Financial Instrument though they are party to the arrangements and to recognise the related liability in their Financial Statements.

In the absence of any disclosure in the Consolidated Financial Statement about the impact of change in Accounting Policy with that of subsidiary, Ind AS 110 was not complied with.

The Provisional Comments are dropped on the basis of assurance given by the company to refer the matter to the Expert Advisory Committee of ICAI to be sought by your subsidiary, OMPL and appropriate action to be taken thereon in accounting treatment of Compulsory Convertible Debenture issued by OMPL during March 2020.

It is also requested to place the Management Letter before the Audit Committee/ Board of Directors.

Further, parent of the Group, MRPL required to take up the issue with holding company, ONGC, for framing Group Accounts Manual addressing the common issues so as to avoid recurrence, of such type of issues in future. This will certainly strengthen Internal Financial Control with reference to Financial Statements to comply with Section 134(5)(e) of the Companies Act, 2013 while finalizing Annual Accounts.

Action taken / proposed to be taken to rectify the lalpses / errors may be communicated to audit.

Your's faithfully,

sd/-

(R. AMBALAVANAN)
Director General of Commercial Audit, Chennai

Place : Chennai
Date : 07.08.2020

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MANGALORE REFINERY AND PETROCHEMICALS LIMITED FOR THE YEAR ENDED 31 MARCH 2020

The preparation of financial statements of Mangalore Refinery and Petrochemicals Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act 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 09 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Mangalore Refinery and Petrochemicals Limited for the year ended 31 March 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

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

sd/-
(R. AMBALAVANAN)
Director General of Commercial Audit, Chennai

Place : Chennai
Date : 07.08.2020

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MANGALORE REFINERY AND PETROCHEMICALS LIMITED FOR THE YEAR ENDED 31 MARCH 2020

The preparation of consolidated financial statements of Mangalore Refinery and Petrochemicals Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) 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 9 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Mangalore Refinery and Petrochemicals Limited for the year ended 31 March 2020 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Mangalore Refinery and Petrochemicals Limited and ONGC Mangalore Petrochemicals Limited, but did not conduct supplementary audit of the financial statements of Shell MRPL Aviation Fuels and Services Limited for the year ended on that date. Further, section 139(5) and 143(6)(b) of the Act are not applicable to shell MRPL Aviation Fuels & Services Limited being private entity. Accordingly, Comptroller & Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of this Company. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

For and on behalf of the Comptroller & Auditor General of India
Sd/-
(R. AMBALAVANAN)
Director General of Commercial Audit, Chennai

Place : Chennai
Date : 07.08.2020

MANAGEMENT DISCUSSION AND ANALYSIS

1. Economic Overview

1.1 Global Economy

Global GDP growth rate which was 3.59% in 2014 rose to a high of 3.72% in 2017 and fell to 2.91% in 2019. Generally during this period world economy was unstable. Until the onslaught of COVID-19, world was facing policy uncertainty, trade conflicts and protectionist policies which were undermining investments, jobs and incomes. COVID -19 pandemic across the world has resulted in rapid deceleration of growth globally. It is estimated that global demand fell to levels of 8-10 years back. Quarantines have caused factory closures. Travel bans and restrictions have adversely affected service sectors and impacted businessess and tourism travels. Closure of public places has disrupted supply chain and affected educational and entertainment services. The fragility of deep interconnectedness of world economy stands exposed. Post COVID world economy is facing the biggest economic challenge in more than a decade. While nations are formulating plans for recovery it is likely that a global economy which was already showing recessionary tendencies would slip into a recession. This would result in policies aimed at boosting consumption. It is expected that as global economy recovers, there would be greater government spending, with focus on building local capabilities and ensuring greater liquidity in the hands of the people. This could result in a faster stabilisation of the energy sector, compared to other sectors.

1.2 Indian Economy

Indian Economy much like the World Economy has also been impacted adversely by the COVID pandemic. India effected tight lockdown from 24th March in order to protect its citizens and to give the system time to build up capabilities to handle the large flux of patients which a long drawn pandemic can bring.

India had been growing at 7 percent average for a decade now. For much of FY2019-20 India had slower growth. Domestic consumption had been falling of late. The automobile sector which is considered a barometer of the Indian Manufacturing Industry had seen sales depressed for almost a full year. Sales of two wheelers, passenger cars and commercial vehicles which are indicative of rural, urban and commercial demand respectively remained stressed due to changing environment norms for vehicles and lack of credit. Lower Crude prices during this economic climate boded well for India. In this period monetary policy interventions ensured that inflation was at manageable levels, thus preventing stagflation.

The Government took measures to improve economic activity. Following the reduction of the Corporate Tax rate to 22% for existing companies (and 15% for new companies established on or after 1st Oct, 2019 but with a production start date on or before 31st Mar, 2023) one expected to see more investments. Changes were made in Dividend Distribution Tax rules which would leave more money with Industry for investment. The Government indicated that tax rate stability will be maintained to assure investors. To boost consumption, certain incentives were provided in the last budget which is expected to put more money in tax payers' hands. Finally, the government had indicated that it will resort to disinvestment to strike a balance between income and expenditure.

When the Government was engaged in spurring the economy, the COVID-19 pandemic, towards the end of

FY 2019-20, came as the proverbial last straw and had a debilitating effect both socially and economically. The Government has taken the present challenges head on to address them on a war footing. They are being addressed on three fronts viz people, firms and macro policy. For the citizens, resources are being increased to the health sector, cash transfers and free rations have been initiated to vulnerable sections of society and alleviation through MNREGA is being ensured. For the Industry, liquidity and credit availability has been expanded. Liquidity has been expanded to banks. Relief packages and moratorium measures covering a number of sectors were announced by the Govt. to infuse the liquidity in the system.

2. Overview of Energy Industry

2.1 Global scenario

A growing and more prosperous world needs increasing quantities of energy and that includes oil and gas. Although climate change is real and human activity contributes to it, energy demand will be driven by population growth, increasing economic activity and rising incomes. Energy producers (Oil & Gas) would face a predicament of having to increase energy output while trying to reduce emissions. The imminent demise of fossil fuels is overstated. Renewables alone cannot meet the energy needs. In fact, International Energy Agency, projects that the world could still need nearly 70 million barrels of oil a day in 2040 even in the most aggressive low carbon scenario. Of course, how we use that oil will change. Electric cars do not burn petroleum but they do use plastics in their construction and oil in their lubrication. Natural Gas is clean burning fuel and will remain an important agent of energy transition.

Climate change is a defining topic of our times. The choice is not between fossil fuels and renewable energy but rather how we accelerate the growth of renewables while reducing green house gas emissions from the use of fossil fuels. Technology is an important part of this transition to alternate energy. Cost and intermittency are the challenges. The poor are more adversely affected by costs. Recent technological advances and economies of scale have crashed the cost barriers as seen in Solar and Wind Energy. Intermittency remains a barrier. Any technological solution to intermittency, like storage batteries, must address scale and resource availability.

2.2 Indian scenario

India is home to 18% of the world's population but uses only 6% of the world's primary energy. To meet its growing energy requirement, India is seeking to rebalance its energy basket. The country is making critical fuel choices between Oil, Coal, Natural Gas and Renewables for power generation. Coal still remains the most important source for power in India. The large percentage of coal based power plants is an indicator that it is here to stay for a considerable time. However, new investment decisions would be guided towards cleaner and low carbon resources.

In the case of motor fuels, India leapfrogged from use of BS-IV grade fuel to BS-VI grade on 1st April 2020. Contrary to speculation that Crude Oil will be losing ground in India, studies have forecast an increase in consumption of crude oil till 2040, the key drivers being trucks, passenger vehicles, aviation and Petrochemicals. A cost effective combination of cheaper solar power and battery storage may at best reshape the evolution of India's power mix. While the world today may have an alternative source for power generation, there is no real alternative source for petrochemicals. Demand for oil is expected to grow at a CAGR of 4% till FY 2030. Refinery capacity is expected to reach 438.65 MMT by 2030 through several brownfield and greenfield projects. Petrochemical sector is expected to grow at 8-9% over the coming decade in line with economic growth. Petrochemicals will remain a significant and major source of oil demand growth over the next 20 years, driven by the increasing production of plastics.

The share of renewables and clean fuel like Natural Gas is rising in India. Natural Gas consumption rose fom 52.5 BCM in 2015-16 to 60 BCM in 2019. With the conclusion of the 10th round of City Gas Distribution Award 70% of the country's population has been covered. Gas in the Energy Mix is expected to grow from 11% in 2010 to 20% by 2030 and India targets raising share of gas in energy mix from 6% to 15% by 2030.

The share of renewables in the energy basket has been increasing steadily. At the end of 2019, installed capacity of renewable energy constituted 23% of India's energy mix, with hydro power 12%, Thermal 63% and Nuclear 2% constituting the rest. The government is continuously encouraging diversification. Bio-energy (compressed bio gas) is a case in point. Bio gas meant to be generated from agricultural residue, cattle dung and municipal solid waste is commercially viable in the Indian context. Advanced bio fuel plants (2G Ethanol) are proposed to be set up by Oil companies. The government has indicated viability support for commercialization.

With ambitious targets and support policies, clean energy is poised for increasing share, but coal and oil are here to stay in the medium to long term.

3. Markets

After the emergence of the US as a major producer of crude oil it seemed that world's oil business was slightly decoupled from geopolitical tensions as seen in the cases of Iran and Venezuela. The average crude price stayed around $65/bbl for much of the year. The big three producers of crude oil the US, Saudi Arabia and Russia have different breakeven price requirements, which poses a vexed problem. A concerted effort to shore up the crude price could potentially result in ceding of market share by the lesser cost producer(s) to the other(s). Further, with the evolution of renewables, the narrative has changed to peak oil demand from peak oil supply.

Global economy was weak from the beginning of the year. With the advent of COVID-19 the already weak oil market saw the price fall from $65/bbl. The failure of OPEC+ talks and the subsequent ramp up of production by Saudi Arabia saw the world awash with oil and the price crash to less than $30/bbl.

The drop in crude oil prices has had positives for India. The price crash can help India's macros by bringing down the current account deficit and save precious foreign exchange. India has also been using this opportunity to fill up its strategic reservoirs.

The price collapse has resulted in lower revenues for oil producers and significant inventory loss for the Refiners. With a poor demand, the margins for the refiners were already depressed and the inventory loss aggravated the situation. For the consumer, the reduction in prices of petrol and diesel have not been commensurate with the fall in crude price as the price charged to a consumer is a complex function of crude price, product cracks and taxes.

4. Crude Basket

Your company meets its crude oil requirement from various National Oil Companies of exporting countries on term basis and from open market on spot basis. During 2019-20, the company procured 14.084 MMT of crude oil of which 10.920 MMT was imported and the balance was sourced indigenously from Bombay High, Ravva and Mangala of ONGC and Cairn India. Crude oil was imported from NIOC 0.290 MMT, Kuwait Petroleum Corporation 1.202 MMT, Saudi Aramco 5.327 MMT, ADNOC 1.512 MMT and SOMO 1.960 MMT'. To meet the Low Sulphur Heavy Stock (LSHS) requirement and shortfall in term crude requirement, MRPL also imported crude oil (0.629 MMT) through spot tender during the year.

Refinery continues to handle the unavailability of Iranian Crude by increasing offtakes from other sources by continuous diversification of source of crude. New crudes Cabinda (Angola) API 32.20 and Thunder Horse (US) API 33.46 were processed during the year.

5. Products

Your company produced the following products in the year 2019-20:

PRODUCT	Quantity ('000 MT)
HSD	5644
NAPHTHA	1234
ATF	1232
MS	1185
LPG	811
PETCOKE	755
POLYPROPYLENE	310
XYLOL	215
SULPHUR	170
ASPHALT	152
F.O	111
A7	97
A9	60
SKO	47
LSWR	12
CRMB	5

Your company also exported certain products in the year. The exports for the year 2019-20 are as tabulated below:

PRODUCTS	Exports ('000 MT)
DIESEL	1794
ATF	1030
NAPHTHA	422
MS	249
OTHERS	751

6. Impact on Performance

Your company's performance was adversely impacted by multiple factors this year

6.1 Low Product Cracks

Refineries depend on healthy 'Cracks', the differential between Crude and Product prices, to assure profitability. In year 2019-20 the global slowdown of the previous year continued. From the latter part of Q3, the effects of Chinese Slowdown and the attack on Saudi facilities took a toll on the margins and sustained low margins were seen from then on. In Q4 the impact of the COVID-19 resulted in crashing of demand and attendant crashing of product cracks. Some benchmark cracks are given below:

$/BBL (MOP-AG)	Q1	Q2	Q3	Q4
MS	5.06	9.26	9.84	3.47
HSD	10.57	13.85	11.97	8.59
Jet Kero	10.27	13.86	11.16	5.87
Naphtha	-10.27	-9.16	-6.47	-5.89

As can be seen there was a sharp drop in the cracks from Q2 to Q4 and this has had a major impact on the profitability of the company. Coupled with a reduction in Crude prices that resulted in an inventory loss in Q4, this drop in cracks on account of major events globally is the single biggest depressor of the financial performance of the company.It is also noteworthy that cracks continue to be depressed going into FY 2020-21 and recovery to levels prevailing at the beginning of Q4 levels expected only by Q3 of this Fiscal.

6.2 Inventory Loss

There was a sharp drop in the Crude price in the year. Price dropped by almost $40/bbl from opening of the Fiscal to the close of Fiscal. This has had a huge impact on the inventory valuation which translated as an extremely high Inventory loss for the year. Coupled with low margins, this resulted in driving the profitability further downwards.

Inventory gain/loss is cyclical and is a natural occurrence in the refining business corresponding to the business and other cycles. With crude at landmark lows in the early part of the FY 2020-21, it is expected that a reversal will be seen in the present fiscal.

6.3 Water Shortage in Summer

Part of the refinery was shut down on account of low water availability in April and May 2019. This was due to an unseasonal El Nino/ La Nina cycle which resulted in low summer rains and high monsoon rains. This adversely impacted performance in Q1 of FY 2019-20. MRPL is setting up a Desalination plant that is slated to be commissioned before the summer of 2021 to mitigate this risk. For the summer of 2020, there was no water shortage as there have been adequate summer rains. Therefore it needs to be considered that one factor that depressed GRMs of the past year has been mitigated for the FY 2020-21

6.4 Landslide inside Refinery

The monsoons were extremely heavy and resulted in large scale damage across the country. In MRPL this resulted in a landslide in July 2019 that forced MRPL to stop production to ensure safety of the Phase- 3 units. This impacted the performance in Q2 of FY 2019-20. As a preventive measure, a comprehensive slope study has been carried out through IIT Roorkee and National Institute of Rock Mechanics Kolar and preventive actions are being put in place to guard against recurrence.

6.5 COVID Slowdown

The COVID impact on product margins started from January 2020 and the slowdown of demand started from March, 2020 and impacted the entire Q4 of FY 2019-20. This is an on-going pandemic that has had a major impact globally. MRPL has been impacted on account of reduction in Demand, depression in Prices and pressure on Liquidity. While the global economy is expected to recover by Q4 in FY 2020-21, in India the recovery is expected to be sharper which may mitigate these issues earlier for MRPL.

6.6 Overall Impact

The factors detailed above had significant impact on the performance of the company in the past fiscal. However it is noteworthy that despite these multitude of issues your company performed reasonably well against benchmark indices. MRPL has performed better than the benchmark (Singapore Coking Margins) in 7 months out of the 12 and also aggregate for the year. The operating GRM of the company (without inventory loss/gain) stood at $2.42/bbl whereas the benchmark GRM was in the order of $1.9/bbl indicating that barring externalities the company has fundamental strengths for long term sustenance.

7. Opportunities and Threats

7.1 Opportunities

A teeming population, an expanding middle class and growing spending power will sustain the demand for Crude Oil in India. Growth would require greater movement of goods and people. The present COVID related depression in the Economy would be short term. Refineries will continue to fuel transportation vehicles. A growing population would drive the demand for petrochemicals/chemicals. Refineries of the future are expected to be demand driven. Those Refineries focussing on operational excellence and investing in superior technologies would be versatile and would benefit greatly. Hitherto, Indian Refineries have had high fuel yields. While demand continues to grow, a changing environment of renewables, EV penetration and alternate fuels may portend a different future scenario. Expansion in the fuel space alone may not bring significant revenues for the refiners. Capital Investment must be made prudently in future to ensure versatility and to stay relevant.

Your company is amongst the largest Refineries in South India. Your company is aware of the opportunities that exist across the value chain on the input side, asset side and the output side. On the input side, operational efficiencies through energy optimization and cost reduction through Grid power and cheaper fuel such as Natural Gas are considered. On the Asset side, integration of various units is ensured for efficient operations and investments are made in technologies to meet changing product requirement as seen lately in BS-VI. On the Demand side, your company has demonstrated flexibility and derived value through Retail Sales, Merchant Sales, Sales of Petrochemicals and Sales through joint venture.

Your Company is aware of the calibrated approach that it needs to take in future investments. A right operating model with a blend of fuels and basket of chemicals/petrochemicals would be crucial for sustained profitability in the future. Your company's investments in future configurations will ensure multiple marketing options.

7.2 Threats

Instability and unpredictability in the crude oil markets is a constant threat to your Company. Crude and product prices can move fortuitously and variedly. Actions and events at the global level have their repercussions at the regional and local levels. Any contraction in growth rate can affect demand for fuel and petrochemicals impacting the margins of your Company.

Although renewables and EV penetration is expected to improve they are not expected to pose a threat of fuel substitution for your company. In the Indian scenario, long term fuel demand is expected to continue, but, short term disruptions can affect your company. About sixty percent of the products that your company produces are transportation fuels (road, rail and air transport). When the transportation sector is severely affected, as happened recently due to the pandemic, the revenues are impacted.

The threat posed by regulatory changes have been effectively handled by your company by investing in superior technologies. This has enabled your company to charter through changing fuel standards.

In the long term, it is expected that while road transportation fuel demand in India would continue its rate of growth, it would be lower than that of air transportation fuel. Also demand for petrochemicals/speciality chemicals is expected to increase in India with increasing urbanization. Your company is aware of the investments required to be versatile and future ready. Your company would be setting timelines once it is less leveraged.

COVID related threat continues to be present and the impact would be mitigated over the short to medium term as global economy adjusts to this.

8. Strengths and Weaknesses

8.1 Strengths

Your Company has a strong configuration with a high complexity. The Refinery is capable to optimally process wide grades of crude oil ranging from 20 API to 45 API. This provides flexibility in crude sourcing and substitution. The company has been continuously investing in technologies over the years to cater to changing market demands. This adaptability has ensured your company's survival while generating revenues for stakeholders. Two important transitions happened in the last year. One, the country leapfrogged to BS-VI grade compliant fuel. Two, the MARPOL regulations on sulfur content in Fuel Oil kicked in. Your Company was able to successfully steer through these changes.

Your Company is in the process of land acquisition for its expansion plans. Land availability would place it in a unique position for expansion and growth in the medium term. Necessary intermediates are available for deeper foray into petrochemicals during expansion.

8.2 Weaknesses

Your company relies on Oil Marketing Companies for its domestic sales. MRPL has a limited Retail presence in its area of operation. Sometimes, the Oil Marketing Companies move products from outside the state. This results in reduction in off take, which has to be compensated through exports. Being a coastal refinery has enabled your company to sustain product movement through exports. This however results in marginally lower realization. Your company has initiated actions to expand its retail space in its geographical area and 50 operating outlets are planned for the current year. To support an expanding Retail Network, your company also plans to have an Oil Marketing Terminal of its own suitably located. The company would leverage its location to have a robust supply chain for its market expansion plans.

In FY 19-20, a new Railway Siding for Petcoke evacuation and a New Marketing Terminal at the Refinery were commissioned. The Railway Siding has reduced the risk of dependence on trucks for product evacuation and within a short time of commissioning, upto 25% (18 TMT per month) of the Petcoke produced is being evacuated through wagons. The New Oil Marketing Terminal at the Refinery has been successfully catering to its demand cluster.

8.3 Crude Supply and Price Risk

Crude is the most important raw material for your company and it constitutes about 95% of the expenses. Securing supplies is very critical to ensuring a very high operational availability of the Refinery. Your Company sources about 78% of its crude by way of imports and the balance 20% is from domestic sources. Your Company has been continuously diversifying its Crude sources to mitigate the risk of disruption in any particular country. In FY 2019-20, the company handled the continued unavailability of Iranian Crude through Crude diversification and new crudes Cabinda (Angola) API 32.20 and Thunder Horse (US) API 33.46 were processed during the year.

Crude, like any other commodity, is subject to price variations and swings. Your Company has a mix of Term Crude and Spot Crude buying plans. The Term Crude contracts that your Company enters with different National Oil Companies ensures supplies. And the fact that your Company has entered into Term Plans with diverse National Oil Companies also ameliorates the risk of crude disruption from a particular company due to unforeseen reasons. Your Company has a periodic Business Process Optimization Review where market demand and prices are analysed and opportunities identified. Supply disruptions and Refinery shutdowns elsewhere and changes due to seasonal demand all affect the market. The spot option to buy crude is exercised where windows are identified for economic benefit.

Sharp fall in crude prices can cause an inventory loss. Your Company maintains an optimum crude holding to balance crude availability and reduce risk of loss on crude holdings.

8.4 Refinery Margin Risk

Your Company is susceptible to volatility in Crude and Product prices. High Operational efficiency and Operational discipline have been demonstrated by your company and these are imperative to its profitability. However, the company's revenues are also dependent on the margins between crude and product prices. While the country is projected to have a fuel demand growth in the medium to long term, short term demand and supply imbalances, within the country or the region, affect the product margins and revenues in one or more quarters. A precipitous fall in the international crude price can also potentially expose your Company to loss on inventory.

Volatility and Uncertainty in the Crude Oil Markets is extant to the Industry. Your Company continues to mollify the Refinery Margin risk by ensuring high operational availability of its assets, optimum turnaround cycle and low maintenance downtime through superior data based analysis. Monitoring of key operational parameters of Capacity Utilization, Energy Consumption and Distillate Yield is done continuously at the highest level. The Refinery by design is rugged. The availability of a Coking Unit has enabled value extraction from the bottom of the barrel for your Company. This unit has also ensured that the Company has weathered the MARPOL stipulations on Fuel Oil.

HSD and MS constitute 50% of the products of your company and ATF constitutes 10%. When demand of these fuels are impacted by short term imbalances, then the revenues and cash flows of the company are affected and make the company more leveraged.

Barring, FY 2019-20, when the Crude throughput processed was lesser due to force majeure occurrences, your Company has been continuously engaging its assets at higher than their installed capacity. This ensures a consistent maximum revenue generation.

8.5 Water Supply Risk

Your Company since inception has been dependent, by design, on River Water from Netravathi for its operations. Inadequate rainfall in certain years in the past decade and a rising city population have affected supply of water during summer months in a few years resulting in partial shutdown of the Refinery. Such a force majeure situation occurred in the summer of 2019 also. Your Company has commenced the construction of a Captive Desalination Plant which is expected to be commissioned in FY 2020-21. This will abate the risk of water supply disruption and your company can operate uninterrupted throughout the year. The desalination plant is presently being built for 6MGD capacity with a option to expand in future. The offsite facilities of the desalination plant are being designed for an ultimate capacity of 15 MGD which will cover the water requirements of Refinery Expansion in future. Additionally, your Company has also been taking about 3.5 MGD of treated STP water from Mangalore City for its operations. All these comprehensive measures will markedly reduce your company's vulnerability to adverse water scenario.

9. Internal Control Systems

The Company has robust internal control mechanism which ensures effective internal control environment. Your Company is constantly improving and upgrading its system of internal control towards ensuring management effectiveness and efficiency, reliable reporting on operations and finances and securing high level legal compliance and risk management. Adequate systems of internal control commensurate with the Company's size and nature of its operations are in place.

The Internal Audit is supervised by the Audit Committee which continuously monitors the effectiveness of the internal control systems with an objective to provide to the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management control and governance process. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations and follow up actions.

10.0 Subsidiaries and Joint Ventures

10.1 Subsidiary Company

Your company continues to hold 51% of equity shares in OMPL and about 49% is held by ONGC. OMPL has set up an Aromatic Complex with an annual capacity 914 KTPA of Paraxylene and 283 KPTA of Benzene in Mangalore Special Economic Zone, Mangaluru. The revenue from Operations was ₹ 4,954 Crore during FY 2019-20 as against ₹ 8,567 Crore during the FY 2018-19. The Company posted a loss of ₹ 1,400 Crore in FY 2019-20 as against a Profit after tax of ₹ 21 Crore during the FY 2018-19. This is due to an unprecedented fall in International prices of Paraxylene and Benzene owing to various factors like Capacity additions in China, Crude volatility and US-China Trade issues etc. However, the Company introduced new product, viz., Paraffinic Raffinate in the export market and started sale of Heavy Aromatics in domestic market. The Company maintained excellent safety record of zero LTI in the past 4 years.

10.2 Joint Ventures

The company has two Joint Ventures viz. Shell MRPL Aviation Fuel Services Limited (SMAFSL) with Shell

B.V. Netherlands wherein your company holds 50% of share capital and Mangalam Retail Services Limited (MRSL) with Gulf Oil, a Hinduja Group Company wherein your Company holds 18.98% of share capital. The accounts of SMAFSL have been consolidated with MRPL's Accounts.

10.2.1 Shell MRPL Aviation Fuel Services Limited (SMAFSL)

The Company holds 50% of the equity share capital in Shell MRPL Aviation Fuel Services Limited (SMAFSL) and the balance is held by Shell Gas BV, The Netherlands and its associates. SMAFSL supplies aviation turbine fuel (ATF) to both domestic and international airlines at several Indian airports and acts as a contracting company for Indian carrier's International Aviation Fuel requirements. The total income for FY 2019-20 is ₹ 823.58 Crores as against ₹ 718.99 Crores in the previous year with Pre-tax profit of ₹ 1.68 Crores (Previous Year ₹ 3Crores) and post-tax profit of ₹1.52 Crores (Previous Year ₹ 1.59 Crores).

10.2.2 Mangalam Retail Services Limited (MRSL)

During 2017-18, the Company reduced its shareholding in Mangalam Retail Services Limited (MRSL) to 18.98% and accordingly MRSL presently is not an associate Company of MRPL. MRSL has not yet started commercial operations.

11.0 Human Resources

During the financial year 2019-20, your Company continued to enjoy cordial and harmonious relations with all the employees and as evidence to the same not a single man-hour was lost on account of any industrial disturbance.

Total employee strength was 1942 including 131 women employees, 274 SC/ST employees and 31 Physically Challenged employees. 878 employees belong to Management cadre whereas 1064 employees belong to Non-Management cadre.

12.0 Forward Looking Statements

All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. The Company disclaims any obligation to update these forward-looking statements, except as may be required by law.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2019 - 20

1. OUR CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. MRPL maximizes shareholders value while safeguarding and promoting the interest of stakeholders and maintain a steadfast commitment to ethics and code of conduct. The philosophy of the Company on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and ethics, in all facets of its operations, with the primary objective of enhancing shareholder value.

The Company complies with the changes brought in the area of Corporate Governance by the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [**SEBI (LODR) Regulations, 2015**]. Besides adhering to provisions of SEBI (LODR) Regulations, 2015, the Company also follows the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises (DPE), Government of India except with regard to availability of requisite number of Independent Directors on the Board of the Company, one woman Independent Director and composition of Risk Management Committee till 15/10/2019 as per SEBI (LODR) Regulations, 2015. MRPL being a Central Public Sector Enterprise (CPSE), Directors on the Board of the company are appointed by the Administrative Ministry, Government of India. Appointment of requisite number of Independent Directors and one woman Independent Director on the Board of MRPL is pursued with the Administrative Ministry, Government of India (GoI).

The Company believes that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. The Board of Directors of the Company is at the core of adopting the best practices of Corporate Governance. The Board thus oversees the Management functions and protects the long-term interests of our stakeholders.

The Corporate Governance framework of the company is based on the following broad principles:

- Protecting and facilitating the exercise of shareholder's rights;
- Committed to a transparent system and values; which recognize the rights of the stakeholders and encourage co-operation between Company and the Stakeholders;
- Timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company;
- Operating in a sound system of internal control with a thrust on integrity and accountability;
- Ensuring timely and adequate disclosure of all material information to all Stakeholders;
- Ensuring compliance of applicable laws, guidelines, rules and regulations;
- Committed for equitable and fair treatment to all its stakeholders and society at large;
- Effective Whistle Blower Policy mechanism is provided for the Stakeholders.

2. BOARD OF DIRECTORS:

The Board of Directors functions within the purview of Corporate Governance norms in transparent and effective manner. The Company has an exhaustive Book of Delegated Powers (BDP) and other manuals like Material Management, Works manual etc, which spell out the processes and defines the level (Board / Committee of Directors/ Functional Director) at which any decision is to be made and are reviewed from time to time to ensure that they are updated and meet the needs of the organization. The company has 6 sub-committees of the Board which deliberate upon various important matters and advise the Board on the course of action to be taken.

A. Composition of Directors along with other Directorship as on 31/03/2020 : 13

Executive Director : 03
Non-Executive Directors : 10

B. Board of Directors as on 31/03/2020

Directors Name & DIN	Category	Skills/Expertise/Competence	Other Directorship			Outside Committees	
			No.	Name of the Company	Designation	Committee Name	Designation
Shri Shashi Shanker DIN: 06447938	Chairman Non-executive	• He is an industry veteran with over 30 years of experience in diverse E&P activities. • He is a Petroleum Engineer from Indian School of Mines (ISM), Dhanbad. • He also holds an MBA degree with specialisation in Finance. • He has received executive education from prestigious Indian Institute of Management, Lucknow and Indian School of Business, Hyderabad. • Prior to his appointment as Director (T&FS) in 2012 in ONGC, he has progressed through senior management roles in various work-centers including Institute of Drilling Technology, Dehradun; West Bengal Project; Assam Project and Deep Water group at Mumbai. • He was acclaimed for his performance in spearheading the deep/ultra-deep water campaign	7	1. Oil and Natural Gas Corporation Limited	Chairman & Managing Director	NIL	NA
				2. ONGC Videsh Limited.	Chairman & Managing Director	NIL	NA
				3. Mangalore SEZ Limited.	Chairman & Director	NIL	NA
				4. ONGC Tripura Power Company Limited	Chairman & Director	NIL	NA
				5. ONGC Petro Addition Limited	Chairman & Director	NIL	NA
				6. ONGC Mangalore Petrochemicals Limited	Chairman & Director	NIL	NA
				7. Petronet LNG Limited	Director	NIL	NA
Shri M Venkatesh DIN: 07025342	Managing Director Executive	• He is a Chemical Engineer having over three decades of experience in Oil & Gas Sector. • He is associated with MRPL since 1994 and executed all major projects.	4	1. ONGC Mangalore Petro Chemicals Limited	Director	Nomination & Remuneration	Chairman
				2. Shell MRPL Aviation Fuels and Services Limited	Chairman	NIL	NA
				3. Petronet MHB Limited	Director	Nomination & Remuneration	Chairman
				4. Mangalore SEZ Limited	Director	Nomination & Remuneration	Member
Shri M Vinayakumar DIN: 08225553	Director (Refinery) Executive	• He has more than 30 years of experience in various facets of Refinery operation.	2	1. ONGC Mangalore Petrochemicals Limited	Director	Audit	Member
						Nomination & Remuneration	Member
				2.Shell MRPL Aviation Fuels and Services Limited	Director	Audit	Member
						Nomination & Remuneration	Member

Directors Name & DIN	Category	Skills/Expertise/Competence	Other Directorship			Outside Committees	
			No.	Name of the Company	Designation	Committee Name	Designation
Smt. Pomila Jaspal DIN: 08436633	Director (Finance) Executive	• Smt. Pomila Jaspal is a Cost Accountant working as Director (Finance) in MRPL, a Schedule 'A' Miniratna under the ONGC group, with 35 years of experience in oil and gas sector, both in operating and regulatory framework of upstream and downstream operations. Nominated as Director in the Board of OMPL & PMHBL. • After joining MRPL, she steered MRPL's maiden NCD issue of ₹ 3,000Cr from market as well as through Bharat Bond ETF and was able to generate fund at very competitive rates. Also monitored OMPL's maiden CCD issuance of ₹ 1,200Cr. • Her educational background is highly accredited and directly contributes to her field of operations. A Fellow Member of ICMAI and Gold medallist and recipient of Late Mrs Dhanpati Goel Gold Medal from ICMAI. She has obtained B. Com. (Hons) degree from MCM DAV College, Chandigarh and M. Com. from Punjab University. She had a short stint as Lecturer in Degree College. • She joined ONGC in 1985 as Finance & Accounts Officer and has risen to the coveted position of Executive Director – Chief Corporate Finance. She earns the distinction of being the first lady officer in ONGC to occupy this top post. She was also on the Board of OPAL. • During her initial period, after completing 3 months Induction training at ONGC Academy, she was posted at Head Office, Dehradun and handled key assignments and later with Joint Venture group at JVOG, Mumbai. She further had the opportunity to hone her skills with deputation at Directorate General of Hydrocarbons (DGH) in its formative years and was instrumental in developing the model Production Sharing Contracts (PSC) which was adopted as base document in many pre-NELP & NELP blocks. Subsequently, she was deputed	2	1.ONGC Mangalore Petrochemicals Limited	Director	Audit	Member
				2.Petronet MHB Limited	Director	NIL	NA

Directors Name & DIN	Category	Skills/Expertise/Competence	Other Directorship			Outside Committees	
			No.	Name of the Company	Designation	Committee Name	Designation
		to Contract Cell of MoP&NG where she worked in different areas of gas pricing, Rangarajan Committee, Gas utilization policy, royalty committee, formulation of policies for smooth implementation of PSCs and monitoring the royalty and profit petroleum to GoI. • She also carries with her the rich exposure of ONGC Videsh, international arm of ONGC, handling the assignment of In-charge, Project Finance, for execution of almost all overseas projects (Exploration and Development) and was actively involved in smooth takeover and execution of new acquisitions of OVL. Subsequently, she became Head – Finance of Assam Asset, ONGC and handled this challenging assignment for 4 years. • Given her multi-faceted personality, she is a beacon of light for all lady officers to follow their dreams and achieve them through sheer hard work and focused approach.					
Shri Subhash Kumar DIN: 07905656	Non-executive Nominee Director	• He is a Director (Finance), ONGC. • Fellow Member of ICMAI • Associate Member of ICSI. • Alumni of Panjab University, Chandigarh, where he obtained his Bachelors degree and Masters Degree in Commerce with Gold Medal. • He worked as Head Business Development, Finance & Budget and also as Head Treasury Planning & Portfolio Management Group at ONGC Videsh from April 2010 to March 2015. • He then went on to serve as Chief Financial Officer of Mansarovar Energy Colombia Limited, a 50:50 joint venture of ONGC Videsh and Sinopec of China, from September 2006 to March 2010. • He joined back ONGC as Chief Commercial & Head Treasury of ONGC in July, 2016 where he played a key role in evaluation, negotiation, and concluding outstanding issues pertaining to the organization.	6	1. Oil and Natural Gas Corporation Limited	Whole-time Director & Chief Financial Officer	Stake Holders Relationship	Member
				2. Hindustan Petroleum Corporation Limited	Govt. Nominee Director	NIL	NA
				3. ONGC Petro Additions Limited	Nominee Director of ONGC	Audit	Member
				4. ONGC Tripura Power Company Limited	Nominee Director of ONGC	Audit	Member
				5. Mangalore SEZ Limited	Nominee Director of ONGC	Audit	Member
				6. Petronet MHB Limited	Nominee Director of ONGC	NIL	NA

Directors Name & DIN	Category	Skills/Expertise/Competence	Other Directorship			Outside Committees	
			No.	Name of the Company	Designation	Committee Name	Designation
Shri Vinod S Shenoy DIN: 07632981	Non-executive Nominee Director	• He is a Bachelor in Chemical Engineering from IIT Bombay. • During his career spanning over three decades, He has held various positions in the Refinery Divisions and Corporate Departments of Hindustan Petroleum Corporation Limited and has wide exposure to the Petroleum Industry.	6	1. Hindustan Petroleum Corporation Limited	Whole-time Director	NIL	NA
				2. HPCL-Mittal Energy Limited	Director	NIL	NA
				3. Prize Petroleum Company Limited	Director	NIL	NA
				4. Ratnagiri Refinery and Petrochemicals Limited.	Director	NIL	NA
				5. HPCL Rajasthan Refinery Limited	Director	NIL	NA
				6. HPCL Biofuels Limited	Director	NIL	NA
Shri Vijay Sharma DIN: 08045837	Non-executive Nominee Director	• He holds a Master's degree in History and belongs to IRAS Railway Services 2001, Cadre. • He has a working experience of about 17 years wherein he developed expertise in functional areas of – Administration, Refinery, Excise and Vigilance. • He is currently the Director (GP) in the Gas Pricing Division of the Ministry of Petroleum & Natural Gas, Government of India	1	Balmer Lawrie and Company Limited	Govt. Nominee Director	Stakeholders Relationship	Member
						Nomination & Remuneration	Member

Directors Name & DIN	Category	Skills/Expertise/Competence	Other Directorship			Outside Committees	
			No.	Name of the Company	Designation	Committee Name	Designation
Shri Sunil Kumar DIN: 08467559	Non-executive Nominee Director	• He is IRAS (1995 batch) and is presently posted as Joint Secretary (Refineries), Ministry of Petroleum & Natural Gas, New Delhi since May, 2019. • He is Bachelor of Technology (Petroleum Energy) from IIT(ISM), Dhanbad, Financial Management from NIFM, Faridabad. • Masters in Business Administration from BI, School of Management, Oslo, Norway. • Executive European MBA from ESCP-EAP, Paris, France. • Masters Diploma in Public Administration from IIPA, New Delhi. • Logistic Simulation and Planning from Beijing Jiaotong University, Beijing, China. • As Joint Secretary (Refineries), he is looking after the matters related to Refineries, Auto Fuel Policy, Petrochemicals, Import/export of crude oil and other petroleum products; Bio Fuels, Renewable Energy and Conservation, Integrated Energy Policy; Climatic Change & National Clean Energy Policy. • Before joining MoP&NG, he has worked with Indian Railways in various capacities including Director Finance Expenditure in Railway Board and Chief Project Manager of Accounting Reform Project of Indian Railways.	2	1. Hindustan Petroleum Corporation Limited. 2. Engineers India Limited.	Director Director	NIL NIL	NA NA
Shri Balbir Singh DIN: 07945679	Non-executive Independent Director	• He is a Master, M.Phil and Ph.D in Economics and has over 40 years of teaching experience. • He has authored many Books and Articles on various Socio Economic issues. • He has been conferred with various awards and recognitions in the Academic field. • He retired as a Professor at the Department of Post Graduate Studies in Economics & Research D.N.P.G. College, Gulaothi (Bulandshahr) U.P.	NIL	NIL	NA	NIL	NA

Directors Name & DIN	Category	Skills/Expertise/Competence	Other Directorship			Outside Committees	
			No.	Name of the Company	Designation	Committee Name	Designation
Dr. G. K. Patel DIN: 07945704	Non-executive Independent Director	• He is M.S. (Orthopedics) heads G K Orthopedic Hospital at Mehsana in Gujarat. Dr. G. K. Patel had been ex-President of Mehsana Nagarpalika, Gujarat Orthopedic Association and Indian Medical Association, Mehsana	NIL	NIL	NA	NIL	NA
Shri V. P. Haran DIN: 07710821	Non-executive Independent Director	• He is a retired officer from Indian Foreign Services (IFS). • He has acquired the qualification of Company Secretary and of Cost Accountant. • He has served as India's Ambassador to Syria and Bhutan. • Currently, Shri V P Haran is serving as Independent External Monitor (IEM) of Madras Fertilizers Limited and MSTC Limited.	NIL	NIL	NA	NIL	NA
Shri Sewa Ram DIN: 01652464	Non-executive Independent Director	• He is the retired officer of the Indian Administrative Service of MP Cadre. • Before joining Indian Administrative Service, he has served as an Officer with Indian Overseas Bank and Indian Revenue Services (Customs and Central Excise). • He has served the Central Government and State Governments in various capacities. • Currently, Shri Sewa Ram is serving as Independent External Monitor (IEM) of Murmagao Limited.	NIL	NIL	NA	NIL	NA
Shri R.T. Agarwal DIN: 01937329	Non-executive Independent Director	• He is a Chartered Accountant by profession, having more than 35 years of experience in corporate finance and accounts functions • He was full time Director (Finance) of Power Grid Corporation of India Ltd. (PGCIL), a 'Navratna' company under Ministry of Power, Govt of India, from 29 July 2011 until attaining superannuation.	NIL	NIL	NA	NIL	NA

Directors Name & DIN	Category	Skills/Expertise/Competence	Other Directorship			Outside Committees	
			No.	Name of the Company	Designation	Committee Name	Designation
		• Prior to being taken over as functional Director of PGCIL, world's second largest Power Transmission Company, he had worked in finance functions of PGCIL and also in NTPC in various capacities. Accredited with 'CFO - Power Sector Award' from Institute of Chartered Accountants of India in the year 2015. • He was associated with Initial Public Offering (IPO) of PGCIL, and subsequently piloted the Follow on Offers (FPO) in the year 2013. Resource mobilisation from Domestic as well as from International financial institutions including multilateral financing institutions like The World Bank, Asian Development Bank (ADB), IFC, KfW, Germany for the high Capex of PGCIL attaining CAGR more than 17% year on year basis. Raised the first foreign currency Bond of PGCIL and listed the bond in Singapore Exchange. • He has also implemented various financial management systems and procedures in finance functions including Treasury management and internal audit functions of the company for best corporate governance practices. • He has also instituted Enterprise-wise Risk management system in PGCIL. • His regular and periodic interactions with both domestic and international investors and analysts has improved investors confidence with the company, which helped PGCIL stock a most favoured stock in Indian power sector.					

Note: Membership / Chairmanship pertaining only to Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee are considered.

(i) Particulars of Appointment of a New Director or Re-Appointment of a Director in terms of Regulation 36(3) of the SEBI (LODR) Regulations, 2015

Brief Resume of following Directors proposed to be appointed or re-appointed mentioning qualification, expertise, names of the companies in which they hold Chairmanship/ Directorship in the Board and Chairmanship/ Directorship in the Board sub- committees, shareholding in these Companies and relationship between director inter-se pursuant to Regulation 36(3) of the SEBI (LODR) Regulations, 2015 with Stock Exchanges are provided in the Notice of the 32nd Annual General Meeting.

- Shri Vinod S. Shenoy (DIN: 07632981) retires from office by rotation and being eligible offers himself for re-appointment as Director.
- Shri Subhash Kumar (DIN: 07905656) retires from office by rotation and being eligible offers himself for re-appointment as Director.
- Smt. Pomila Jaspal (DIN : 08436633), Shri Sunil Kumar (DIN : 08467559) and Shri Sanjay Varma (DIN: 05155972) who were appointed as Additional Directors are proposed for re-appointment as Director.

(ii) Past Directors

Director	Executive/ Non-Executive	Category	No. of other Directorship		No. of outside Committees	
			Public	Private	Member	Chairman
Shri K. M. Mahesh	Non-Executive	Government Nominee Director	-	-	-	-
Shri Sanjay Kumar Jain	Non-Executive	Government Nominee Director	-	-	-	-
Ms. Manjula C.	Non-Executive	Independent Director	-	-	-	-
Shri Vivek Mallya	Non-Executive	Independent Director	1	-	1	-

(iii) Changes in the Board of Directors during 2019-20

Director	Date of Appointment	Date of cessation	Tenure	Remarks
Shri M Vinayakumar	11/07/2019	NA	Till 31.05.2020 i.e., date of his Superannuation or until further orders, whichever is earlier.	Appointed as Director (Refinery).
Smt. Pomila Jaspal	15/10/2019	NA	Till 31.01.2024 i.e., date of her Superannuation or until further orders, whichever is earlier.	Appointed as Director (Finance).
Shri Vijay Sharma	08/01/2020	NA	For a period of three years or until further orders, whichever is earlier. For a period of three years or until further orders, whichever is earlier.	Appointed as Government Nominee Director on the Board of MRPL by Ministry of Petroleum & Natural Gas.

Director	Date of Appointment	Date of cessation	Tenure	Remarks
Shri Sunil Kumar	17/10/2019	NA	For a period of three years or until further orders, whichever is earlier.	Appointed as Government Nominee Director on the Board of MRPL by Ministry of Petroleum & Natural Gas.
Shri R.T.Agarwal	12/07/2019	NA	For a period of three years or until further orders, whichever is earlier.	Appointed as Non-Official Independent Director on the Board of MRPL by Ministry of Petroleum & Natural Gas.
Shri K.M.Mahesh	24/11/2017	17/10/2019	Three years from the date of appointment or until further orders, whichever is earlier.	Nomination withdrawn by the appointing Authority.
Shri Vivek Mallya	07/01/2019	30/01/2020	Till his tenure as Non-official Director on the Board of ONGC i.e. 30.01.2020 or until further orders, whichever is earlier.	Completion of tenure
Shri Sanjay Kumar Jain	24/11/2017	08/01/2020	Three years from the date of appointment or until further orders, whichever is earlier.	Nomination withdrawn by the appointing Authority
Ms. Manjula C.	31/01/2017	31/01/2020	Three years from the date of appointment or until further orders, whichever is earlier.	Completion of tenure

iv) Changes in the Board of Directors after 31/03/2020

- Shri Sanjay Varma is appointed as the Director (Refinery) with effect from 09/06/2020.
- Shri M. Vinayakumar demitted the office of Director (Refinery) on attaining the age of supermarannuation on 31/05/2020.
- Shri Vijay Sharma ceased to be Director w.e.f. 04/08/2020 upon withdrawal of nomination by the appointing authority.

(C) Attemdance of Director at the Board Meetings held during the financial year 2019-2020 and 31st Annual General Meeting held on 03/08/2019

(i) Details of Board Meetings held during the Financial Year 2019-20

During the year 2019-20, Six (6) Board Meetings were held.

Date of meeting	Meeting No.	Place
11/04/2019	223	New Delhi
13/05/2019	224	New Delhi
18/06/2019	225	New Delhi
03/08/2019	226	Mangalore
04/11/2019	227	New Delhi
03/02/2020	228	New Delhi

(ii) Attendance of Directors during the Financial Year 2019-20.

Director	No. of Board Meetings Attended	Attended Last AGM
Shri Shashi Shanker	6	Yes
Shri M.Venkatesh	6	Yes
Shri M. Vinayakumar*	3	Yes
Smt. Pomila Jaspal*	2	NA
Shri Vinod S.Shenoy	6	Yes
Shri Subhash Kumar	6	Yes
Shri Sunil Kumar*	1	NA
Shri Vijay Sharma*	1	NA
Shri V. P. Haran	6	Yes
Shri Sewa Ram	6	Yes
Dr. G. K. Patel	6	Yes
Shri Balbir Singh	6	Yes
Shri R. T. Agarwal*	3	Yes

* Shri. M Vinayakumar was appointed as Director (Refinery) on 11/07/2019.

* Smt. Pomila Jaspal was appointed as Director (Finance) on 15/10/2019.

* Shri. Sunil Kumar was appointed as Non-Executive Director (Government Nominee) on the Board of MRPL on 17/10/2019.

* Shri. R. T. Agarwal was appointed as Non-Official Independent Director on the Board of MRPL on 12/07/2019.

* Shri. Vijay Sharma was appointed as Non-Executive Director (Government Nominee) on the Board of MRPL on 08/01/2020.

(iii) Attendance of the Past Directors during the Financial Year 2019-20.

Director	No. of Board Meetings Attended	Attended Last AGM
Shri K. M. Mahesh	3	Yes
Shri Sanjay Kumar Jain	2	Yes
Ms. Manjula C.	5	Yes
Shri Vivek Mallya	5	Yes

Note: Shri K. M. Mahesh, Shri Sanjay Kumar Jain, Ms. Manjula C. and Shri Vivek Mallya ceased to be the directors on the Board of MRPL with effect from 17/10/2019, 08/01/2020, 31/01/2020 and 30/01/2020 respectively.

D. Disclosure of relationships between Directors

None of the Board of Directors is related to each other.

E. Director's Shareholding:

Director's shareholding in the Company as on 31/03/2020

Name of the Director	No. of Shares held
Shri M. Vinayakumar	200

F. Independent Directors

MRPL is a Central Public Sector Enterprise (CPSE) under the Administrative Ministry, i.e., Ministry of Petroleum & Natural Gas (MoP&NG), Govt. of India. Presently MRPL has five (5) Independent Directors on the Board. All the Independent Directors fulfill the criteria of Independence as per the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The evaluation of Independent Directors as well as non-Independent Directors for the FY 2019-20 has been done as per the evaluation criteria provided in SEBI circular dated 05/01/2017.

3. AUDIT COMMITTEE

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance.

a) Terms of Reference:

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on quarterly, half-yearly and annual financial results, interaction with Statutory and Internal Auditors. Review and recommend appointment of Cost Auditors/ Internal Auditors/Secretarial Auditors and their remuneration, review of Business Risk Management Plan, review of Forex policy, Management Discussions & Analysis, review of Internal Audit Reports, significant related party transactions. The Board has framed the Audit Committee Terms of Reference for the purpose of effective compliance of provisions of Section 177 of the Companies Act, 2013, Regulation 18 of the SEBI (LODR) Regulations, 2015, and DPE guidelines on Corporate Governance for CPSEs. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

b) Composition of Audit Committee as on 31/03/2020

The Committee was reconstituted during the FY 2019-20. The composition of the Committee including changes during the year is as under:

Members of Audit Committee	Category
Shri V. P. Haran	**Chairperson**
Shri Sewa Ram	Member
Shri R. T. Agarwal (From 08/01/2020)	Member
Shri Vivek Mallya (Up to 30/01/2020)	Member
Shri Sunil Kumar (From 08/01/2020 Up to 27/01/2020)	Member
Shri K. M. Mahesh (Up to 17/10/2019)	Member
Shri Balbir Singh (Up to 08/01/2020)	Member

c) Details of the Audit Committee Meetings held during the Financial Year 2019-20

During the year 2019-20, Nine (9) Audit Committee Meetings and One (1) adjourned Meeting were held.

Date of Meeting	Meeting No.	No. of members attended
03/04/2019	102	5
13/05/2019	103	5
13/06/2019	104	5
02/08/2019	105	4
03/08/2019 (adjourned)	105	5
25/10/2019	106	4
04/11/2019	107	4
03/12/2019	108	4
29/01/2020	109	3
03/02/2020	110	3

d) Attendance in Audit Committee Meetings held during the Financial Year 2019-20.

Members of Audit Committee	No. of Meetings attended
Shri V. P. Haran	9
Shri Sewa Ram	9
Shri R. T. Agarwal (From 08/01/2020)	2
Shri Vivek Mallya (Up to 30/01/2020)	7
Shri Sunil Kumar (Up to 27/01/2020)	0
Shri K. M. Mahesh (Up to 17/10/2019)	4
Shri Balbir Singh (Up to 08/01/2020)	7

4. NOMINATION & REMUNERATION COMMITTEE:

MRPL is a ‘Schedule-A’ Central Public Sector Enterprise (CPSE). The appointment, terms, conditions and remuneration of Managing Director and Functional Directors (Whole-time Directors) are fixed by the Department of Public Enterprises (DPE), Govt. of India.

Pursuant to Regulation 19 of the SEBI (LODR) Regulations, 2015 and DPE guidelines on Corporate Governance for CPSE, the Company has constituted a Remuneration Committee in April, 2009.

Key Board qualifications, expertise and attributes

Pursuant to SEBI (LODR) Regulations, 2015, Key Board qualifications, expertise and attributes are required to be mentioned in the Corporate Governance Report.

The Directors on the Board of MRPL are nominated by the Administrative Ministry, MOP&NG. The MRPL Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make contribution to the Board and its committees. The Board members are committed to ensuring that the MRPL Board is in compliance with the standards of corporate governance.

The table below summarizes the key qualification, skill and attributes of Directors on the Board:

The table below summarizes the key qualification, skill and attributes of Directors on the Board:

a	Financial	Leadership of a financial firm or management of the finance function of an enterprise, g in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a principal financial principal accounting officer, controller, public accountant or person performing similar functions.
b	Gender, ethic, national or other diversity	Representation of gender, ethic, geographic, cultural or other perspective that expand the Board's understanding of the viewpoints of customers, partners, employees, Governments and other stakeholdersworldwide.
c	Legal, Risk Management	Expertise in handling legal issues and risks analyses and mitigation process.
d	Business Knowl- edge	Knowledge of the environment in which the company operates Industry structure and outlook.
e	Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long growth.
f	Technology	A significant background in technology, resulting in knowledge of how to anticipate technological trends, generate discoveries, innovation, and extends or create new business models.
g	Board service and governance	Service on a public company Board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriategovernance practices.
h	Sales and marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation.

a) Composition of Nomination & Remuneration Committee as on 31/03/2020:

The Company has complied with the requirement of Regulation 19(1) (c) of the SEBI (LODR) Regulations, 2015 as well as the Companies Act, 2013 as regards the constitution of Nomination & Remuneration Committee with reference to requisite number of Independent Directors. The Committee was reconstituted during the FY 2019-20.

The composition of the Committee including changes during the year are as under:

Members of Nomination & Remuneration Committee		Category
Shri Balbir Singh		**Chairperson**
Shri V. P. Haran (Ceased on 08/01/2020 & Re-appointed on 03/02/2020)		Member
Shri Sewa Ram	(From 08/01/2020)	Member
Dr. G. K. Patel	(Up to 08/01/2020)	Member
Shri K. M. Mahesh	(Up to 17/10/2019)	Member
Ms. Manjula C	(Appointed on 08/01/2020 & Ceased on 31/01/2020)	Member

b) Details of Nomination & Remuneration Committee Meetings held during the Financial Year 2019-20

During the year 2019-20, Four (4) meetings of the Committee were held.

Date of Meeting	Meeting No.	No. of members attended
02/04/2019	15	4
12/06/2019	16	4
24/10/2019	17	3
29/01/2020	18	3

c) Attendance in Nomination & Remuneration Committee Meetings held during the Financial Year 2019-20

Members of Nomination & Remuneration Committee	No. of Meetings attended
Shri Balbir Singh	**4**
Shri V. P. Haran (upto 08/01/2020 & Reappointed on 03/02/2020)	3
Shri Sewa Ram (From 08/01/2020)	1
Dr. G. K. Patel (Up to 08/01/2020)	3
Shri K. M. Mahesh(Up to 17/10/2019)	2
Ms. Manjula C (Appointed on 08/01/2020 & Ceased on 31/01/2020)	1

5. REMUNERATION OF DIRECTORS

The Remuneration paid to Directors and Key Managerial persons are regulated by the guidelines issued by Department of Public Enterprises, Government of India as the Company is a Schedule - "A" Central Public Sector Enterprise. The remuneration policy of the Company is as per the guidelines issued by the Department of Public Enterprises, Government of India.

a) Details of Remuneration (Sitting Fees) Paid to Independent Directors during the Financial Year 2019 –20:

(₹in Lakhs)

Independent Director	Sitting Fees
Shri V P Haran	8.40
Shri Sewa Ram	7.80
Dr. G. K.Patel	6.00
Shri Balbir Singh	6.00
Shri R.T. Agarwal (from 12/07/2019)	2.10
Ms. Manjula C (up to 31/01/2020)	4.40
Shri Vivek Mallya (up to 30/01/2020)	4.70

b) Details of Remuneration Paid to Managing Director, Director (Finance) and Director (Refinery) during the Financial Year 2019 -– 20:

(₹ in Lakhs)

Particulars	Shri M. Venkatesh	Shri M. Vinayakumar	Smt. Pomila Jaspal	Total
	Managing Director	Director (Refinery) (from 11/07/2019)	Director (Finance) (from 15/10/2019)	
Salaries, Allowances and Perquisites	43.30	27.85	21.36	**92.51**
Contribution to PF & Other Funds	6.18	3.93	0.14	**10.25**
Total	**49.48**	**31.78**	**21.50**	**102.76**

c) Terms of service contract:

	Particulars	Managing Director	Director (Refinery)	Director (Finance)
A	Tenure	5 years from the date of appointment or till the date of superannuation or until further orders, whichever is earlier.	From the date of appointment or till the date of superannuation i.e. 31/05/2020 or until further orders, whichever is earlier.	From the date of appointment or till the date of superannuation i.e. 31/01/2024 or until further orders, whichever is earlier.
B	Notice period	Three Months Notice or on payment of three months' salary in lieu thereof.	Three Months Notice or on payment of three months' salary in lieu thereof.	Three Months Notice or on payment of three months' salary in lieu thereof.
C	Severance fees	Not Applicable	Not Applicable	Not Applicable
D	Stock Options details (if any)	Not Applicable	Not Applicable	Not Applicable
E	Whether issued at discount	Not Applicable	Not Applicable	Not Applicable
F	Period over which it is accrued and is exercisable	Not Applicable	Not Applicable	Not Applicable

d) Familiarization Programme for Independent Directors

The details of familiarization Programme imparted to Independent Director are provided in the website of the Company i.e. www.mrpl.co.in

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a) The Stakeholders' Relationship Committee has been mandated to review and redress shareholder grievances as per the provisions of Section 178 of the Companies Act, 2013. The terms of reference of the Committee has been amended pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

b) Terms of Reference:

- The Stakeholders Relationship Committee shall consider and resolve the grievances of security holders of the company.
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of Annual Reports, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

c) Composition of Stakeholders' Relationship committee as on 31/03/2020:

The Committee was reconstituted during the FY 2019-20. The composition of the Committee including changes during the year is as under:

Members of Stakeholders' Relationship Committee	Category
Dr. G. K. Patel	**Chairperson**
Smt. Pomila Jaspal (From 08/01/2020)	Member
Shri Balbir Singh (From 08/01/2020)	Member
Shri M. Venkatesh (Up to 08/01/2020)	Member
Ms. Manjula C (Up to 08/01/2020)	Member
Shri. V. P. Haran (Up to 08/01/2020)	Member

d) Details of Stakeholders' Relationship Committee Meetings held during the Financial Year 2019-20:

During the year 2019-20, Four (4) Stakeholders' Relationship Committee Meetings were held.

Date of Meeting	Meeting No.	No. of members attended
13/05/2019	63	4
02/08/2019	64	4
25/10/2019	65	4
29/01/2020	66	3

e) Attendance in Stakeholders' Relationship Committee Meetings held during the Financial Year 2019-20:

Members of Stakeholders' Relationship Committee	No. of members attended
Dr. G.K. Patel	4
Smt. Pomila Jaspal (From 08/01/2020)	1
Shri Balbir Singh (From 08/01/2020)	1
Shri M Venkatesh (Up to 08/01/2020)	3
Ms. Manjula C (Up to 08/01/2020)	3
Shri.V P Haran (Up to 08/01/2020)	3

f) Name and Designation of the Compliance Officer:

Shri Dinesh Mishra,
Company Secretary & Compliance Officer.

g) References & Investor Complaints Received and Replied During 2019-20:

Sl. No	Nature of Correspondence	For the year ended 31/03/2020
1.	Revalidation of Dividend Warrants.	4,223
2.	Demat - Remat Cases – Letters.	322
3.	Stop Transfer - Procedure for Duplicate / Removal	815
4.	Name Deletion/Transmission /Transposition /Change of Name/Issue of Duplicate - Share Certificates.	2,105
5.	Consolidation /Change of Status Certificates.	201
6.	Change of Signature Letters.	736
7.	Correction/ Registration / Change of Address/Bank Detail/Bank Mandate.	2,595
8.	Registration / Cancellation of NACH Letters.	2,172
9.	Nomination Letters.	121
10.	References through Statutory/ Regulatory bodies like ROC/ SEBI/ NSE/ BSE/ NSDL/ CDSL.	46
11.	Others.	4,136
	TOTAL	**17,472**

7. SHARE TRANSFER COMMITTEE (STC)

(i) Pursuant to the provisions of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014 a Committee of Directors (Share Transfer Committee) is constituted for approving transfer of shares, transmission of shares and issue of duplicate share certificates.

(ii) The Share Transfer Committee consists of Managing Director, Director (Finance) and Director (Refinery) for approving transfer of shares, transmission of shares and issue of Duplicate Share Certificates and matter incidental thereto. The Quorum of the committee shall be any two Directors. However, in the absence of Director (Refinery) and Director Finance during part of the year, Managing Director was the quorum for the Committee with the approval of the Board.

(iii) Pursuant to Rule 6(2)(a) of the Companies (Share Capital and Debentures) Rules, 2014 duplicate share certificates are issued in lieu of those that are lost or destroyed with the approval of Share Transfer Committee, as the Board has delegated the Powers to STC pursuant to MCA General Circular No.19/2014 dated 12th June, 2014 to issue duplicate share certificates.

(iv) Pursuant to Regulation 40 of SEBI (LODR) Regulations, 2015, Quarterly details of transactions in shares are placed before Board.

8. RISK MANAGEMENT COMMITTEE

The RMC shall review and monitor the risk overview document of the Company on quarterly basis in accordance with the board approved Enterprises Risk Management policy of the Company and submit the report to the Audit Committee.

The RMC shall appoint the risk managers and risk coordinator to operate the Risk Management policy of the Company. Pursuant to Regulation 21 of SEBI (LODR) Regulation, 2015 and section 177(4)(vii) of the Companies Act, 2013, the terms of reference of the Audit Committee includes evaluation of the risk management system of the Company.

a) Composition of Risk Management Committee as on 31/03/2020

Members of Risk Management Committee	Category
Shri M. Venkatesh	**Chairperson**
Shri M. Vinayakumar	Member
Smt Pomila Jaspal (From 15/10/2019)	Member
Shri S. Raviprasad	Member
Shri Sanjay Varma (From 19/07/2019)	Member

b) Details of the Risk Management Committee Meetings held during the Financial Year 2019-20

During the year 2019-20, Five (5) Risk Management Committee Meetings were held.

Date of Meeting	Meeting No.	No. of members attended
01/04/2019	17	3
27/04/2019	18	3
19/07/2019	19	3
18/10/2019	20	5
16/01/2020	21	4

c) Attendance in Risk Management Committee Meetings held during the Financial Year 2019-20.

Members of Risk Management Committee	No. of Meetings attended
Shri M. Venkatesh	5
Shri M. Vinayakumar	5
Smt Pomila Jaspal (From 15/10/2019)	2
Shri S. Raviprasad	4
Shri Sanjay Varma (From 19/07/2019)	2

9. PROJECT APPRAISAL REVIEW COMMITTEE & OPERATION REVIEW COMMITTEE

During the Financial Year 2019-20, the Operation Review Committee (ORC) has been merged with "Project Appraisal and Execution Committee" (PAEC) and PAEC was renamed as "Project Appraisal and Review Committee & Operation Review Committee" **(PARC & ORC)** to review Health safety and environment performance.

a) Terms of Reference:

- To review and recommend capital projects to the Board.
- To review the implementation of Board approved projects periodically.
- Review of quarterly performance with reference to MoU target of thr'put, GRM, total distillate yield, crude slate, etc
- Review of maintenance performance with respect to availability of plans and processes.
- Review of the observations on major operation, maintenance and inspection,
- Review of general issue related to operation / finance, which are put up lo the Committee and not covered by any other Committee.
- To review HSE perfom1ance.

b) Composition of PAE Committee as on 07/01/2020:

The composition of PAE Committee for the FY 2019-20 (up to 07/01/2020) are as under:

Members of PAE Committee	Category
Shri Sewa Ram	**Chairperson**
Shri V.P. Haran	Member
Dr. G. K. Patel	Member
Shri Vinod S. Shenoy	Member
Shri Vivek Mallya	Member
Shri M. Venkatesh	Member
Shri Sanjay Kumar Jain	Member
Shri Subhash Kumar	Member

Composition of PARC & OR Committee as on 31/03/2020 (from 07/01/2020)

Members of PARC & OR Committee	Category
Shri Sewa Ram	**Chairperson**
Shri V. P. Haran	Member
Shri Vinod S. Shenoy	Member
Shri Vivek Mallya	Member
Shri Subhash Kumar	Member
Shri Sanjay Kumar Jain (up to 08/01/2020)	Member
Shri Vijay Sharma (from 27/01/2020)	Member
Shri R. T. Agarwal (from 08//01/2020)	Member

c) **Details of PAEC and PARC & OR Committee Meetings held during the Financial Year 2019-20:**

During the year 2019–20, two (2) PAE Committee Meetings were held and one (1) PARC & OR Committee meeting was held. The details of meetings and attendance are as under:

Date of Meeting	Meeting No.	No. of members attended
02/04/2019 (PAEC)	43	5
24/10/2019 (PAEC)	44	5
28/01/2020 (PARC & ORC)	45	4

d) **Attendance in PAE Committee (up to 08/01/2020) and PARC & OR Committee (from 08/01/2020) Meetings held during the Financial Year 2019–20:**

Members of PAE and PARC & OR Committee	No. of meetings attended	
	PAEC	PARC & ORC
Shri Sewa Ram	2	1
Shri V. P. Haran	2	1
Dr. G. K. Patel	2	NA
Shri Vinod S. Shenoy	0	1
Shri Vivek Mallya	2	0
Shri M. Venkatesh	2	NA
Shri Sanjay Kumar Jain	0	NA
Shri Subhash Kumar	0	0
Shri Vijay Sharma (from 27/01/2020)	NA	0
Shri R. T. Agarwal (from 27/01/2020)	NA	1

10. DETAILS OF ANNUAL GENERAL BODY MEETING

a) **Location, place and time of last 3 AGMs held**

Year	AGM	Location	Date	Time
2019	31st	**MRPL Employees Recreation Center** Mudapadav, Post Kuthethoor, Via Katipalla, Mangaluru –575 030	03/08/2019	4.00 p.m.
2018	30th	**MRPL Employees Recreation Center** Mudapadav, Post Kuthethoor, Via Katipalla, Mangaluru –575 030	11/08/2018	4.00 p.m.
2017	29th	**MRPL Employees Club** Mudapadav, Post Kuthethoor, Via Katipalla, Mangaluru –575 030	19/08/2017	4:00 p.m.

b) Whether any special resolutions passed in the previous 3 AGMs? Yes.

AGM	Special Resolutions
31st AGM	One special resolution was passed pursuant to Section 42 of the Companies Act, 2013 to raise funds upto ₹ 3,000 Crores through issue of NCDs/ Bonds.
30th AGM	None
29th AGM	One special resolution was passed pursuant to Section 42 of the Companies Act, 2013 to raise funds upto ₹ 3,000 Crores through issue of NCDs/ Bonds.

c) Any special resolutions were put through Postal ballot last year?
No special resolutions were put through postal ballot in the last AGM.

d) Persons who conducted the Postal Ballot exercise:
Not Applicable.

e) Whether any special resolution is proposed to be conducted through postal ballot?
No.

f) Procedure for Postal Ballot:
Not Applicable.

11. DISCLOSURE & TRANSPARENCY:

The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (a) to (l) of the Regulation 46(2) of the SEBI (LODR) Regulations, 2015.

The disclosures mentioned in Regulation 46 have been disclosed in the Corporate Governance Report.

The Company ensures timely and complete dissemination of information on all matters which are required to be made public. The website of the Company and the Annual Report of the Company contain exhaustive information regarding every aspect of the functioning, financial health, ownership and governance of MRPL.

All disclosures by Company are strictly in accordance with the formats prescribed by the concerned regulatory authority in respect of accounting, financial and non-financial matters.

MRPL disseminates information through press releases, on its website, to the Stock Exchanges etc. Access to all these modes is free for all users.

The Company maintains records of the proceedings of all meetings (Board / Committees / General Meetings, etc.).

The Company follows the accounting standards in letter and spirit. The annual audit is conducted by Joint Statutory Auditors appointed by the C&AG. MRPL is further subject to supplementary audit by C&AG. Internal Audit Department reports to the Audit Committee apart from periodical oversight by the Government of India and Parliamentary Committees.

Members of the Board and Key Managerial Personnel disclose to the Board whether they directly, indirectly or on behalf of third parties, have a material interest in any transaction or matters directly affecting the Company.

It is the endeavor of the Board of Directors and the top management of MRPL to ensure that the stakeholders are aware of all important developments, while ensuring confidentiality of relevant information.

(i) MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

1.0 The transactions with Related Parties are governed by Regulation 23 of the SEBI (LODR) Regulations, 2015, and the provisions of Section 188 of the Companies Act, 2013 and rules made thereunder along with the circulars and notifications issued by SEBI and MCA from time to time.

2.0 The Company has adopted Related Party Transaction Policy and procedures and the same is displayed on the website of the Company i.e. www.mrpl.co.in.

(ii) Key Managerial Personnel:

Name	Designation
Shri M.Venkatesh	Managing Director & CEO
Smt. Pomila Jaspal	Director (Finance) and Chief Financial Officer
Shri Dinesh Mishra	Company Secretary

There was no transaction with Key Managerial Personnel during the Financial Year 2019-20 except for the remuneration paid. The remuneration of Key Managerial Personnel has been disclosed under Clause (VI) of MGT – 9 which forms part of the Board's Report.

(iii) Enterprises in which significant influence is exercised:

Name	Relationship	Nature of Transaction
ONGC Mangalore Petrochemicals Limited [OMPL]	Subsidiary	Details furnished in [OMPL] Note 11 of the Financial Statements for FY 2019-20.
Shell MRPL Aviation Fuel & Services Limited. [SMAFSL]	Joint Venture	

(iv) Details of non-compliance by the Company, penalties, strictures imposed by the Stock Exchange or SEBI or any authority on any matter related to capital markets during last 3 years:

The company has been impleaded in certain legal cases related to disputes over title to shares arising in the ordinary course of share transfer operations. However, none of these cases are material in nature, which may lead to material loss or expenditure to the Company.

(v) The Company has adopted Whistle Blower Policy for employees and Directors. The Company has not denied any employee and Directors access to the Competent Authority and it has provided protection to the whistle blower from adverse action. The Policy is available in the Company website www.mrpl.co.in.

(vi) The Company has a Policy on Material Subsidiaries as per Regulation 16(1) (c) of the SEBI (LODR) Regulations, 2015 and the policy is available on the Company website www.mrpl.co.in.

(vii) NON - MANDATORY REQUIREMENTS:

a) The Company maintains a Chairman's office at its expense.

b) MRPL is a 'Schedule A' Miniratna, Central Public Sector Enterprise. The appointment, terms, conditions and remuneration of Managing Director and Functional Directors (Whole-time Directors) are fixed by the Department of Public Enterprises (DPE), Govt. of India.

c) As the Company's Quarterly / Half Yearly Financial results are displayed on the website of the Company and Published in the Newspaper, the half-yearly report is not sent to each Shareholder's residence.

d) There are no qualifications in the Auditor's report on the financial statements to the shareholders of the Company.

e) A formal policy for training of the Board Members of the Company has been formulated and the same is displayed in the website of the Company i.e. www.mrpl.co.in. The Directors are sponsored for various seminars, training, workshops and orientation programmes depending on the suitability and convenience.

f) The Company complies with Ind AS pursuant to the Companies (Indian Accounting Standards) Rules, 2015 notified by Ministry of Corporate Affairs vide notification dated 16/02/2015.

(viii) CODE OF CONDUCT FOR MEMBERS OF THE BOARD AND SENIOR MANAGEMENT

A Code of Conduct for Members of the Board and Senior Management is a comprehensive code applicable to Executive and Non-executive Directors as well as members of the Senior Management i.e. all Key Managerial Personnel of the Company and one level below the Board. The Code of conduct is available on the Company's website www.mrpl.co.in.

The Managing Director has declared that all the members of the Board and Senior Management have affirmed that they have complied with the code of conduct for the Financial Year 2019-20.

(ix) THE CODE OF INTERNAL PROCEDURES AND CONDUCT OF PROHIBITION OF INSIDER TRADING IN DEALING WITH SECURITIES OF MANGALORE REFINERY AND PETROCHEMICALS LIMITED (MRPL):

1.0 "Code of Conduct for Prevention of Insider Trading" for the Company was approved by the Board at its 89th meeting held on 22nd June, 2002 pursuant to SEBI (Insider Trading) (Amendment) Regulations, 2002. The same was amended by the Board at its 226th meeting held on 3rd August, 2019 in view of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2008.

2.0 SEBI has notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 on 15th January, 2015 repealing SEBI (Insider Trading) Regulations, 1992 applicable to all the listed companies with effect from 15/05/2015. The Company adopted the "Code of Internal Procedures and Conduct for Prohibition of Insider Trading in dealing with the Securities of MRPL", as amended, at its 197th Board Meeting held on 22nd May, 2015.

3.0 Further, SEBI vide its circular dated 16th September, 2015 has revised formats for disclosure under Regulation 7 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 with regard to exercise of ESOPs, execution of contra trade and creation of pledge or invocation of pledge for enforcement of security while in possession of Unpublished Price Sensitive Information (UPSI). Accordingly, the Board approved the amended "Code of Internal Procedures and Conduct for Prohibition of Insider Trading in dealing with the Securities of MRPL" in its 200th meeting held on 29th October, 2015 and the same is displayed in the Company website, i.e., www.mrpl.co.in.

4.0 SEBI vide its notification dated 31/12/2018 amended SEBI (Prohibition of Insider Trading) Regulations, 2015. Accordingly, the Board approved the amended "Code of Internal Procedures and Conduct for Prohibition of Insider Trading in dealing with the Securities of MRPL" in its 226th meeting held on 03rd August, 2019 and the same is displayed in the Company website, i.e., www.mrpl.co.in.

(x) CEO & CFO CERTIFICATION :

A certificate of the CEO & CFO of the Company in terms of Regulation 17(8) the SEBI (LODR) Regulations, 2015 inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

(xi) ANNUAL BUSINESS RESPONSIBILITY REPORT (ABRR)

Pursuant to Regulation 34(2)(f) of the SEBI (LODR) Regulations, 2015, ABRR for the Financial Year 2019-20 forms part of the Annual Report.

(xii) DEMATERIALISATION OF SHARES AND LIQUIDITY

98.85% of the equity shares of the Company have been dematerialized (NSDL - 44.74 % and CDSL - 54.11%) as on 31/03/2020. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to de-materialize their shares with either of the Depositories and cast their electronic vote.

(xiii) RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

(xiv) NOMINATION

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination form can be obtained from the Company's Registrar and Share Transfer Agent.

(xv) SERVICE OF DOCUMENTS THROUGH ELECTRONIC MODE

As a part of Green initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Transfer Agent, Link Intime India Private Limited, to their dedicated E-mail ID i.e. mrplirc@linkintime.co.in

(xvi) GOVERNANCE OF SUBSIDIARY COMPANY

The Company does not have a material subsidiary as on the date of this report, having a net worth exceeding 10% of the consolidated net worth or income of 10% of the consolidated income of your Company. The minutes of the Board Meeting of OMPL, the subsidiary company along with the details of significant transactions are placed before the Audit Committee and Board on a quarterly basis. The financial statements of the subsidiary companies are presented to the Audit Committee and Board on quarterly basis.

(xvii) GUIDELINES ON CORPORATE GOVERNANCE BY DPE

Department of Public Enterprises has issued Guidelines on Corporate Governance for Central Public Sector Enterprises which are now mandatory in nature.
No Presidential Directives have been issued during the period 1st April 2019 to 31st March, 2020. MRPL is complying with these guidelines to the extent possible.

(xviii) SECRETARIAL AUDIT REPORT

Secretarial Audit Report confirming compliance to the applicable provisions of Companies Act, 2013, Regulations 24(A) of SEBI (LODR) Regulations, 2015, DPE Guidelines and all other related rules and regulations relating to capital market has been obtained from a practicing Company Secretary forms part of the Board's Report.

(xix) SECRETARIAL COMPLIANCE REPORT :

Secretarial Compliance certificate pursuant to SEBI Circular No: CIR/CFO/CMD1/27/2019 dated 08/02/2019, has been obtained from M/s Kumar Naresh Sinha & Associates, Practicing Company Secretaries.

12. MEANS OF COMMUNICATION:

i	Quarterly Results		Quarterly Results of the Company are published in Business Standard - all edition (English), Business Standard - Delhi edition (Hindi) and Hosadigantha-Mangalore edition (Kannada) Newspapers and are also displayed in the Company's website www.mrpl.co.in
ii	News Releases, Presentations etc.		Official news releases and Official Media Releases are available on the website of the Company.
iii	Presentation to Institutional Investors /Analysts		Yes
iv	Website		The Company's website www.mrpl.co.in contains a separate dedicated section 'Stakeholders' where shareholders information is available. The Annual Report of the Company is also available on the website.
v	Annual Report		Annual Report containing the Audited Annual Financial Statements, Directors' Report, Auditors' Report and Corporate Governance Report is sent to the shareholders. The Management Discussion and Analysis (MDA) Report forms part of the Annual Report and is also displayed on the Company's website, i.e., www.mrpl.co.in
vi	Chairman's Communiqué		Chairman's Speech is placed on the website of the Company and sent to Stock Exchanges.
vii	Reminders to investors		Reminders for unclaimed physical share certificates were sent to the shareholders. Several reminders were sent to the shareholders for e-mail updation for communicating through e-mail.
viii	BSE Electronic Platform		The BSE Listing Centre is an online portal to all listed entities for filing their various compliances / submissions with the Exchange. 'Listing Centre' provides a single point resource for filing compliances / submissions and tracking past filings as well.
ix	NSE Electronic Application Processing System (NEAPS)		The NEAPS is web based application designed by NSE for Corporates. The various compliances are filed electronically on NEAPS.
x	SEBI Complaints Redress System (SCORES)		The investor complaints are redressed in a centralized web based complaints redressal system provided by SEBI.
xi	Designated Exclusive email-id		Company has designated the e-mail Id: investor@mrpl.co.in exclusively for investor servicing.

13. GENERAL SHAREHOLDERS INFORMATION

a) 32nd ANNUAL GENERAL MEETING

i	Company Registration Details	:	**CIN** : L23209KA1988GOI008959
ii	Day, Date and Time	:	Friday, 18th September, 2020 at 04:00 P.M. (IST)
iii	Financial Year	:	01/04/2019 to 31/03/2020
iv	Date of Book Closure	:	14/09/2020 to 18/09/2020 (both days inclusive)
v	Dividend Payment Date	:	NA
vi	E-voting	:	The Company has provided for remote e-voting facility to the shareholders in accordance with Regulation 44 of the SEBI (LODR) Regulations, 2015, provisions of the Companies Act, 2013 and the Rules made there under.
vii	**Listing on Stock Exchange**		
A.	**Equity Shares ISIN**:INE103A01014	:	1. **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 **Scrip Code : 500109** **2. The National Stock Exchange of India Limited,** Exchange Plaza, Bandra (E), Mumbai - 400 051 **Trading Symbol : MRPL**

B. Debt Security:

Details of NCD outstanding as on March 31, 2020

Details of NCD outstanding as on March 31, 2020								
Name of the Issuer	ISIN No.	Issuance Date	Maturity Date	Coupon Rate	Payment Frequency	Embedded Option if any	Amount Issued	Amount Outstanding
Mangalore Re?nery and Petrochemicals Limited	INE103A08027	13/01/2020	14/04/2023	6.64% p.a	Annual	NA	₹500 Crores	₹ 500 Crore
Mangalore Re?nery and Petrochemicals Limited	INE103A08019	13/01/2020	12/04/2030	7.40% p.a	Annual	NA	₹1000 Crores	₹ 1000 Crore
Mangalore Re?nery and Petrochemicals Limited	INE103A08035	29/01/2020	29/01/2030	7.75% p.a	Annual	NA	₹1060 Crores	₹ 1060 Crore

C.	**Payment of Listing Fees**	**:**	Annual listing fee for the year 2020-21 has been paid by the Company to BSE Limited and National Stock Exchange of India Limited.
D.	**Payment of Depository Fees**	**:**	Annual Custody fees for the year 2020-21 have been paid by the Company to CDSL and NSDL.
E.	**DEBENTURE TRUSTEE**	:	M/s SBICAP Trustee Company LimitedApeejay House 6th Floor, 3, Dinshaw Wachha Road Churchgate, Mumbai – 400020
F.	**CREDIT RATING**	**:**	ICRA has assigned rating of (ICRA)AAA (pronounced as ICRA triple A) and CRISIL has assigned “CRISIL AAA/Stable” (pronounced “CRISIL triple A rating with stable outlook”) for the ₹ 3,000 Crore Non-Convertible Debenture of Mangalore Refinery and Petrochemicals Limited.

viii Financial Calendar for Financial Year 2019-20:

Particulars	**Financial Year 2019 -20**		**Financial Year 2020 -21**	
Accounting Period	01/04/2019 to 31/03/2020		01/04/2020 to 31/03/2021	
Announcement of Financial Results	1st Quarter	03/08/2019	First three Quarters	Announcement within 45 days from the end of each quarter
	2nd Quarter	04/11/2019		
	3rd Quarter	03/02/2020		
	4th Quarter & Annual Financial Results	09/06/2020	Fourth Quarter & Annual Financial Results	Announcement within 60 days from the end of the financial year.

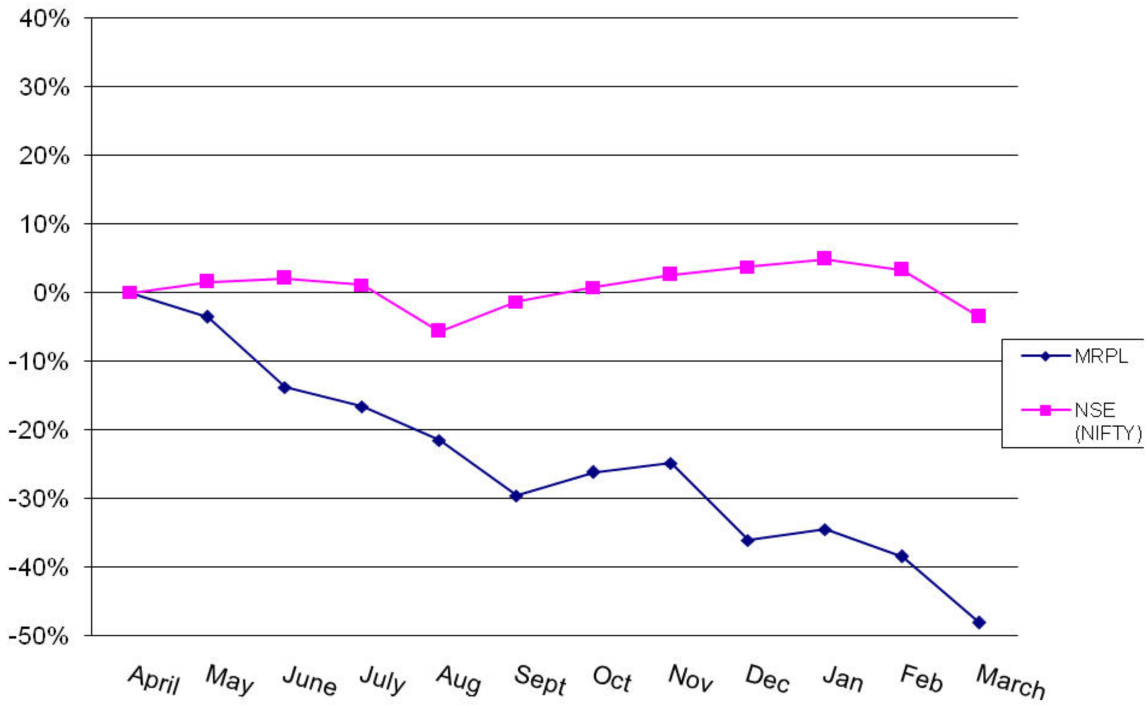
SEBI vide its Circular dated 19/03/2020 extended the timelines for submission of financial results from 15/05/2020 to 30/06/2020, in view of the lockdown in the Country caused by pandemic, COVID 19.

ix Market Price Data:

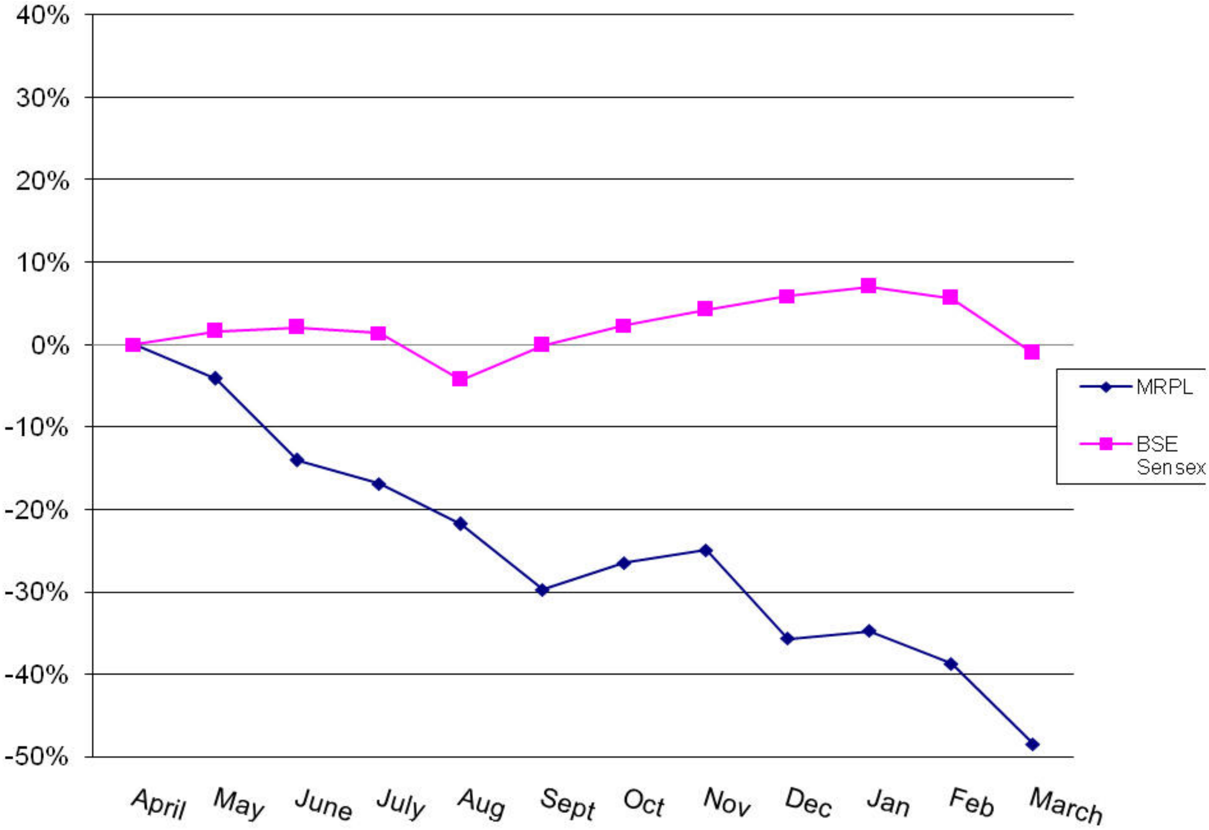
Month	BSE Limited		National Stock Exchange of India Limited	
	High(₹)	Low(₹)	High(₹)	Low(₹)
April,2019	75.40	69.00	75.20	68.10
May, 2019	72.30	60.40	72.50	60.25
June, 2019	64.80	57.85	64.80	57.80
July, 2019	62.65	53.10	62.70	53.00
August, 2019	59.00	43.10	59.00	43.00
September, 2019	52.95	44.40	52.90	44.50
October, 2019	55.45	47.20	55.50	47.65
November, 2019	56.60	47.45	56.50	47.35
December, 2019	48.50	40.00	48.00	39.65
January, 2020	49.20	42.50	49.20	42.15
February, 2020	46.20	35.00	46.25	34.55
March, 2020	38.85	21.25	38.95	20.75

x Performance in comparison to broad based indices such as NSE NIFTY and BSE Sensex:

NSE (NIFTY) 2019-20



BSE (SENSEX) 2019-20



The Market Capitalization of MRPL as on 31/03/2020 was ₹ **4057.27 Crore.** MRPL is ranked **286 on NSE** and **292 on BSE** based on Market Capitalisation as on 31/03/2020.

(xi) **Registrar and Transfer Agent:** M/s Link Intime India Private Limited., C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai – 400 083, Email ID: mrplirc@linkintime.co.in.

(xii) **Share Transfer System:**

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of seven days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the SEBI (LODR) Regulations, 2015, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

Years	No. of transfer deeds processed	No. of shares transferred
2019-20	979	177320
2018-19	2132	389675
2017-18	1497	275550

(xiii) **Transfer of unclaimed Amount of Dividend and Shares to Investor Education and Protection Fund (IEPF):**

Pursuant to the provisions of IEPF Rules and the applicable provisions of the Companies Act, 2013, the company has transferred the unpaid or unclaimed dividend for the years 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12 on due dates to the Investor Education & Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the company has uploaded the details of unpaid and unclaimed dividend amount lying with the company as on 03/08/2019 (date of last Annual General Meeting) on the website of the company (www.mrpl.co.in) and also on the website of the Ministry of Corporate Affairs.

MCA vide its Notification dated 05/09/2016 has notified Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 on 28/02/2017. Pursuant to the provisions of these Rules, 1,74,34,498 shares in respect of whom the dividend hasn't been claimed by the shareholders, has been credited to DEMAT Account of the Authority. IEPF transferred 19,668 shares claimed by the Shareholder to their respective accounts. As on 31/03/2020 1,74,14,830 shares are lying in the Demat Account of IEPF Authority.

SEBI vide its Circular dated 13/04/2020 relaxed timelines for effecting transmission of shares/ remat requests, issue of duplicate shares etc for the period of lockdown.

(xiv) Distribution of Shareholding as on 31/03/2020.

No. of Equity Shares held	No. of shareholders holding shares in		No. of shares held in		% of Equity capital held in	
	Physical Form	Demat Form	Physical Form	Demat Form	Physical Form	Demat Form
001 - 500	103767	190895	19302317	32194301	1.1014	1.8369
501 - 1000	450	12555	339050	10033718	0.0193	0.5725
1001 - 2000	83	5032	122905	7590699	0.0070	0.4331
2001 - 3000	10	1483	25700	3799787	0.0015	0.2168
3001 - 4000	3	627	11100	2241533	0.0006	0.1279
4001 - 5000	7	486	33750	2291296	0.0019	0.1307
5001 - 10000	4	730	28800	5324268	0.0016	0.3038
10001 & above	4	513	275500	1668984053	0.0157	95.2291
Total	**104328**	**212321**	**20139122**	**1732459655**	**1.1490**	**98.8508**

(xv) Shareholding Pattern as on 31/03/2020:

Particulars	No. of Shares	Percentage
Oil and Natural Gas Corporation Ltd.	125,53,54,097	71.63
Hindustan Petroleum Corporation Ltd.	29,71,53,518	16.96
Resident Individuals	8,39,60,767	4.79
Non Resident Individuals	65,82,716	0.38
Domestic Companies	26,99,488	0.15
Foreign Inst. Investor / Foreign Portfolio Investor (Corporate) / Foreign Nationals	1,20,18,108	0.69
GIC & Subsidiaries/ Banks/ Foreign Bank & Financial Institutions/ Insurance /Mutual Funds/NBFCs registered with RBI	7,52,88,684	4.29
Investor Education And Protection Fund	1,74,14,830	0.99
Central/ State Govt. Institutions	2,900	0.00
Trusts	21,550	0.00
Clearing Members	4,20,789	0.02
Hindu Undivided Family	16,81,330	0.10
Total	**175,25,98,777**	**100.00**

(xvi) Unclaimed/Undelivered Shares as on 31/03/2020.

Sl. No	Particulars	No. of shareholders	No. of shares
1.	Aggregate number of shareholders whose shares were lying undelivered / unclaimed at the beginning of the year.	1229	75065
2.	Addition - Number of shareholders whose shares lying undelivered / unclaimed during the year (April, 2019 to March, 2020).	141	13950
3.	Number of shareholders who approached the Company for their undelivered/unclaimed shares during the year and share issued.	116	11550
4.	Shares transferred to IEPF Authority (from unclaimed response Account)	37	5100
5.	Aggregate number of shareholders and the outstanding shares in the "Unclaimed Share Suspense Account" lying at the end of the year.	1217	72365
6.	The voting righs on these shares shall remain frozen till the rightful owner of such shares claims the shares		

(xvii) Outstanding GDR/ ADR/ Warrants or any convertible instruments, conversion date and impact on equity : NIL

(viii) Refinery Location : **Mangalore Refinery and Petrochemicals Limited**
Mudapadav, Post Kuthethoor, Via Katipalla,
Mangaluru - 575 030, Karnataka, India.

(xix) Address for Correspondence:

Shri Dinesh Mishra
Company Secretary, Compliance Officer & Chief Investor Relation Officer
Mangalore Refinery and Petrochemicals Limited
Mudapadav, Post Kuthethoor, Via Katipalla,
Mangaluru-575 030, Karnataka.
Tel.No. : 0824-2270400
Email : investor@mrpl.co.in.
Website : www.mrpl.co.in

REGISTERED OFFICE / COMPANY'S INVESTOR RELATION CELL:

1 Mudapadav, Post Kuthethoor, Via Katipalla, Mangaluru-575 030, Karnataka.
Tel.No. : 0824-2270400 Email : investor@mrpl.co.in. Website : www.mrpl.co.in

2 SCOPE Complex, 7th Floor, Core-8, Lodhi Road, New Delhi-110003.
Tel.No. : 011-24306400 Email : investor@mrpl.co.in Website : www.mrpl.co.in

3 Maker Towers, 15th Floor, "E" Wing, Cuffe Parade, Mumbai - 400005.
Tel. : 022-22173000 Email: investor@mrpl.co.in

4 Plot A-1, Opp. KSSIDC A.O. Building, Industrial Estate, Rajajinagar, Bengaluru - 560010 (Karnataka).
Tel.: 080-22642200 Email : investor@mrpl.co.in Website: www.mrpl.co.in

5 M/s. LINK INTIME INDIA PVT LTD., (R&T Agent)
UNIT: MRPL, C 101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai- 400 083
Tel. : +91 22 49186270 Fax No. : +91 22 49186000 E-mail : mrplirc@linkintime.co.in Website : www.linkintime.co.in

CONSTITUTION OF BOARD AND BOARD COMMITTEES

Name	Board	Audit	CSR	Nomination, Remuneration and HRM Committee	Stakeholders Relationship Committee	Project Appraisal Review Committee and Operation Review Committee
Shri Shashi Shanker	C	-	-	-	-	-
Shri M. Venkatesh	M	-	M	-	-	-
Smt. Pomila Jaspal	M	-	-	-	M	-
Shri M. Vinayakumar	M	-	-	-	-	-
Shri Subhash Kumar	M	-	-	-	-	M
Shri Vinod S. Shenoy	M	-	-	-	-	M
Shri Sunil Kumar	M	-	-	-	-	-
Shri Vijay Sharma	M	-	-	-	-	M
Shri V.P. Haran	M	C	-	M	-	M
Shri Balbir Singh	M	-	M	C	M	-
Shri Sewa Ram	M	M	-	M	-	C
Dr. G. K. Patel	M	-	C	-	C	-
Shri R.T.Agarwal	M	M	-	-	-	M

C - Chairperson

M - Member

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
Mangalore Refinery and Petrochemicals Limited,
Mangaluru

1. We have examined the compliance of conditions of Corporate Governance by M/s. Mangalore Refinery and Petrochemicals Limited for the year ended on 31st March 2020 as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 and as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India.

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Listing Regulations and Guidelines. It is neither an audit nor an expression of opinion on the financial statements of the company.

3. In our Opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 and DPE guidelines except for the following:

(a) As per regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 the composition of the Board of directors of the top 500 listed entities (based on market capitalization as at the end of the immediate previous financial year) shall have at least one independent woman director.

The Company did not have an Independent woman director on its board from 01st February.2020.

(b) As per regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 at least half of the Board of Directors shall comprise of Independent Directors.

The Company did not have requisite number of Independent Director on its Board from 15th October 2019.

(c) As per regulation 21(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 the composition of the Risk Management Committee of the top 500 listed entities (based on market capitalization as at the end of the immediate previous financial year) shall consist majority of members from the Board of Directors .

The Company did not have requisite number of members from the Board of Directors on the Committee during period from 01st April 2019 to 14th October 2019.

4. In the view of the situation emerging out of the outbreak of COVID-19 Pandemic, we could not examine the physical documents, records & other papers etc. of the Company for the year ended 31st March 2020 and the documents/information required by us were provided through electronic mode.

For S VENKATRAM & CO LLP
Chartered Accountants
Firm Registration No. : 004656S/S200095

sd/-

CA. KRISHNAMURTHY M
Partner
Membership No. 083875

Place : Bangalore
Date : 29th July, 2020
UDIN : 20083875AAAAAT1181

For MANOHAR CHOWDHRY & ASSOCIATES
Chartered Accountants
Firm Registration No. : 001997S

sd/-

CA. MURALI MOHAN BHAT
Partner
Membership No. 203592
Place : Mangalore
Date : 29th July, 2020
UDIN : 20203592AAAACN1928

(c) As per regulation 21(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 the composition of the Risk Management Committee of the top 500 listed entities (based on market capitalization as at the end of the immediate previous financial year) shall consist majority of members from the Board of Directors .

The Company did not have requisite number of members from the Board of Directors on the Committee during period from 01st April 2019 to 14th October 2019.

4. In the view of the situation emerging out of the outbreak of COVID-19 Pandemic, we could not examine the physical documents, records & other papers etc. of the Company for the year ended 31st March 2020 and the documents/information required by us were provided through electronic mode.

For S VENKATRAM & CO LLP
Chartered Accountants
Firm Registration No. : 004656S/S200095

sd/-

CA. KRISHNAMURTHY M
Partner
Membership No. 083875

Place : Bangalore
Date : 29th July, 2020
UDIN : 20083875AAAAAT1181

For MANOHAR CHOWDHRY & ASSOCIATES
Chartered Accountants
Firm Registration No. : 001997S

sd/-

CA. MURALI MOHAN BHAT
Partner
Membership No. 203592
Place : Mangalore
Date : 29th July, 2020
UDIN : 20203592AAAACN1928

CEO and CFO Certification

We the undersigned, in our respective capacities as CEO/Managing Director/Director (Finance) and CFO of Mangalore Refinery and Petrochemicals Limited ("the Company") to the best of our knowledge and belief certify that:

A. We have reviewed financial statements and the cash row statement for the financial period ended 31st March 2020 and that to the best of our knowledge and belief, we state that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;

2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

B. We further state that to the best of our knowledge and belief , there are no transactions entered into by the Company during the financial year ended 31st March 2020,which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the company and have disclosed to the Auditors and the Audit committee, deficencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit committee:

1. Significant changes, if any, in internal control over financial reporting during the fnancial year ended 31st March 2020.

2. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

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sd/-
Smt. Pomila Jaspal
Director (Finance) & CFO
DIN : 08436633

sd/-
M. Venkatesh
Managing Director & CEO
DIN : 07025342

ANNUAL BUSINESS RESPONSIBILITY REPORT (ABRR)

Section A: General Information

1	**Corporate Identity Number (CIN) of the Company**	:	L23209KA1988GOI008959
2	**Name of the Company**	:	Mangalore Refinery and Petrochemicals Limited
3	**Registered address**	:	Mudapadav, Post Kuthethoor, Via Katipalla, Mangaluru-575 030, Karnataka
4	**Website**	:	www.mrpl.co.in
5	**e-mail id**	:	investor@mrpl.co.in
6	**Financial Year reported**	:	2019-20
7	**Sector(s) that the Company is engaged in (industrial activity code-wise)***	:	Petroleum and Petrochemicals

Group	Class	Sub-Class	Description
232	2320		Manufacture of refined petroleum products
		23201	Production of liquid or gaseous fuels, illuminating oils, lubricating oils or greases or other products from crude petroleum
		23209	Manufacture of other petroleum products viz. petroleum bitumen
			Petrochemicals - Polypropylene

*As per NIC-2004-Ministry of Corporate Affairs

8 **List three key products/services that the Company manufactures/provides (as in balance sheet):**

- High Speed Diesel (HSD)
- Motor Spirit (MS)
- Aviation Turbine Fuel

9 **Total number of locations where business activity is undertaken by the Company** : 10

i **Number of International Locations (Provide details of major 5)** : Nil

ii **Number of National Locations** :

- MRPL carries out its main business activities including manufacturing activities at one location namely Mangaluru in the State of Karnataka.
- MRPL carries out its Marketing activities from the Marketing Head Office located in Bengaluru. Marketing also has 3 Regional Offices, one each at Mangaluru, Bengaluru and Mumbai which carries out diverse marketing functions like Consumer Sales, Retail Sales and Petrochemicals Sales.

- 7 Retail Outlets, one each at Maddur, Hubli, Mandya, Tumkur and 3 are at Mangaluru in the State of Karnataka.
- 3 depots, one each at Kasargod (Kerala), Hindupur (Andhra Pradesh) and Hosur (Tamil Nadu).
- 1 Polypropylene (PP) warehouse at Hassan in the State of Karnataka.

10 **Markets served by the Company – Local/State/National/International** : MRPL Primarily markets its products in the Indian market and also exports to various countries.

Section B: Financial Details (FY 2019-20)

1	**Paid up Capital**	:	₹ 1,753 Crore
2	**Total Turnover**	:	₹ 60,728 Crore
3	**Profit After Tax (PAT) / (Loss)**	:	₹ (2707.65) Crore

4. **Total Spending on Corporate Social Responsibility (CSR).**
The Company has spent ₹ 76.09 Crores on CSR during the year 2019-20

5. **List the activities in which the CSR expenditures has been incurred.**
The major area in which the above expenditure has been incurred includes education, health care, livelihood support, Swachh Bharat community development projects and environment protections.

Section C: Other Details

1 **Subsidiary Company :**
The Company has only one subsidiary Company viz., ONGC Mangalore Petrochemicals Limited (OMPL). The Company holds 51% of share capital of OMPL.

2 **Participation of Subsidiary Company/Companies in the BR Initiatives of the parent company:**
Since OMPL is a separate entity, it carries out Business Responsibility initiatives on its own as per the policies applicable to the Company.

3 **Participation and percentage of participation of other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the business responsibility initiatives of the Company:**
MRPL being a listed PSE conducts and governs itself with ethics, transparency and accountability as per policies mandated by DPE Guidelines on Corporate Governance, SEBI (LODR) Regulations, 2015 and other guidelines and policies of the DPE in particular and GOI, in general. MRPL also pursues some policy initiatives voluntarily and these stakeholders help MRPL in achieving its business responsibility. It is difficult to establish the extent their support helps in facilitating the MRPL's business responsibility initiative.

Section D : BR Information

1. **Details of Director/Directors responsible for BR**

a) Details of the Director/Director responsible for implementation of the BR policy/policies
Shri M. Venkatesh, Managing Director & CEO
(DIN : 07025342)

b) Details of the BR head

Sl. No.	Particulars	Details
1	DIN	07025342
2	Name	Shri M. Venkatesh
3	Designation	Managing Director
4	Telephone Number	0824-2270400
5	E- mail Id	venky_m@mrpl.co.in

2. **Principle (P)-wise (as per NVGs) BR Policy/policies**

P 1	Business should conduct and govern themselves with Ethics, Transparency and Accountability.
P 2	Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P 3	Business should promote the well-being of all employees.
P 4	Business should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P 5	Business should respect and promote human rights.
P 6	Business should respect, protect and make efforts to restore the environment.
P 7	Business, when engaged in influencing public and regulatory policy, should do so in responsible manner.
P 8	Business should support inclusive growth and equitable development.
P 9	Business should engage with and provide value to their customers and consumers in a responsible manner.

Sl. No	Questions	Business ethics	Product Responsibility	Well being of employees	Stakeholders engagement	Human Rights	Environment	Public policy	Corporate Social Responsibility	Customer Relations
1.	**Do you have policy/ policies**	Yes MRPL being a listed PSE conducts and governs itself with ethics, transparency and accountability as per policies mandated by DPE Guidelines on Corporate Governance, SEBI (LODR) Regulations, 2015 and other guidelines and policies of the DPE in particular and GOI, in general.	Yes-Product quality manuals (Related to product quality as per BIS / international specifications	Yes The Company has a wide range of HR policies covering all employees	Yes The Company has Stakeholders Relationship Committee (SRC) which addresses the concern of its holders.	YesAll policies of the Company take into account the human rights of not only employee but also people likely to be affected by the operations of the Company.	Yes	MRPL is not engaged in influencing public and regulatory policy. However, being a PSE, it conducts its business in a responsible manner and always pursues the best ethical business practices.	Yes	Yes
2.	**Has the policy being formulated in consultation with the relevant stakeholders?**	Yes	Yes	Yes	Yes	MRPL being a Public Sector enterprise is guided by the policies of GOI.	Yes	Yes	Yes. The CSR and SD Policy are in compliance with the provisions of the Companies Act, 2013 and DPE Guidelines.	Yes

3.	**Does the policy conform to any national / international standards? If yes, specify?**	Yes The Policy and laid down procedures conform to statutes and policies of the Govt. of India, DPE and other statutory bodies.	Yes (As per BIS / International specifications and Standards)	Yes	Yes The Policy and laid down procedures conform to the statutes and policies of GOI.	Yes The Policies are in line with the national standards and relevant international standard for its operations and bYes. The CSR and SD Policy are in compliance with the provisions of the Companies Act, 2013 and DPE Guidelines.usiness pursuit.	Yes ISO 14001: 2004 Standards	Yes The Company pursues its business in a responsible manner.	Yes Con-forms to DPE Guidelines	Yes (ISO:9001 for Quality and ISO:14001 for environment)
4.	**Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?**	Yes All policies mandated by GOI, DPE and other Indian Statutory bodies are followed by Company after due approval from the Company's Board. Yes	Yes, the policies have been approved by the Board and signed.	Yes, the policies have been approved by the Board and signed.	Yes, the policies have been approved by the Board and signed.	Yes, the policies have been approved by the Board and signed.	Yes, the policies have been approved by the Board and signed.	Yes. The Company follows the policies of GOI. All the policies of the Company are approved by its Board of Directors.The Policy has been signed.	Yes, the policies have been approved by the Board and signed.	Yes, the policies have been approved by the Board and signed.

5.	**Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?**	Yes	The Board Committees oversee the compliance and implementation of the policy.	Yes The same is overseen by Nomination and Remuneration Committee	Yes The same is overseen by CSR and SD Committee and Stakeholders Relationship Committee.	Yes	Yes The Company has an PARC & ORC Committee to oversee the implementation of the Policy.	Yes. The Company has a number of Board Committees as detailed in Corporate Governance Report.	Yes The same is overseen by CSR and SD Committee.	Yes
6.	**Indicate the link for the policy to be viewed online?**	Whistle Blower Policy and Integrity Pact could be viewed in www.mrpl.co.in	www.mrpl.co.in	Available at Employee Portal	www.mrpl.co.in	www.mrpl.co.in	www.mrpl.co.in	The various policies of the Company can be assessed at www.mrpl.co.in	www.mrpl.co.in	www.mrpl.co.in
7.	**Has the policy been formally communicated?**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8.	**Does the company have in-house structure to implement the policy /policies**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9.	**Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10.	**Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?**	The implementation of SEBI (LODR) Regulations, 2015 with regard to Corporate Governance is audited by the Statutory Auditors.	Yes	Yes	Yes	Yes	YesISO system Audits are in place.	Yes The Company being a PSE is subject to CAG Audit.	Yes	Yes

Sl. No	Questions	Business ethics	Product Responsibility	Well being of employ-ees	Stakeholders engagement & CSR	Human Rights	Environment	Public policy CSR	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	NOT APPLICABLE								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. **Governance related to BR**

- **Frequency of the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company**

  The Board annually assesses the Business Responsibility performance of the Company.

- **Publishing a BR or a Sustainability Report, frequency and hyperlink of published reports.**

  Business Responsibility Report for 2019-20 as required by Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 forms part of 32nd Annual Report. The same is also available on the Company's website at www.mrpl.co.in

Section E: Principle-wise performance

Principle 1- Ethics, Transparency and Accountability

1. **Coverage of policy relating to ethics, bribery and corruption cover only the company and its extension to Group/ Joint Ventures / Suppliers / Contractors / NGOs /Others.**

   The Company policy relating to ethics, bribery and corruption covers the company, employees and directors, suppliers, contractors, NGOs and other stakeholders.

2. **Stakeholder complaints received in the past financial year and what percentage of complaints satisfactorily resolved by the management**.

   The Company has a Stakeholder Relationship Committee. The Committee specifically looks into redressing Shareholders and Investors complaints pertaining to transfer/transmission of shares, non – receipt of annual report, dividends payments, issue of duplicate share certificates and other issues as per the terms of reference. The company has received 43 investor complaints during the Financial Year 2019-2020 of which 41 complaints were resolved and 02 complaints were pending with SEBI for disposal. ATR in respect of these complaints was filed on 27/02/2020.

Principle 2- Product Lifecycle Sustainability

1. **List upto 3 products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   High Speed Diesel (HSD BSVI GRADE) Motor Spirit (MS BSVI GRADE) and Aviation Turbine Fuel (ATF).

2. **Details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**

i. **Reduction during sourcing / production/ distribution**

a) As a part of continued efforts towards energy conservation, a number of Energy Conservation projects have been implemented during 2019-20 in the refinery. These measures resulted in Estimated Fuel savings (Standard Refinery Fuel equivalent) of 13,965 Metric Tons of oil equivalent (MTOE).

b) Refinery has achieved a MBN of 75.33 during the year.

c) MRPL started producing BS VI MS & HSD from September 2019 onwards. (All domestic batches of MS and HSD were certified with Sulphur less than 10 PPM from 26th Sept & 21st September 2019 onwards respectively.)

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year

a) The company continued its emphasis on energy conservation through Process Optimization, Continuous monitoring and Implementation of several Energy Conservation modifications.

b) Major Energy Conservation measures taken during the year and their impact mentioned in **"Annexure D"** of Board's Report.

3. Procedures in place for sustainable sourcing (including transportation) and percentage of inputs sourced sustainably.

One of the major inputs to the process is power. The company has set up a 6.06MWp Rooftop Solar Power Plant in its premises for captive use. This has resulted in corresponding decrease in power consumption from non-sustainable sources. The company is targeting to continuously increase the use of renewable power in the coming years.

4. Steps taken to procure goods and services from local & small producers, including communities and capability building activities undertaken for local and small vendors.

The company being in the business of crude oil refining, most of the procurement of equipments, spares and chemicals are always sourced from established sources. These inputs are not available in the local area where the refinery is situated. However services like house keeping, garden work were procured from local community as Majority of services are from local community. The Company also undertakes skill development programs and vendor development activities.

5. Mechanism to recycle products and waste and the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).

- MRPL aims to reuse/recycle the waste including waste water generated at the site by adapting various technology measures. Slop oil generated from process units is reprocessed in Crude Distillation Units and part of oily sludge in Delayed Coker Unit. During FY 2019-20, approximately 345 m^3 of oily sludge was treated in Delayed Coker Unit (DCU).
- Waste water generated in the Refinery is treated in the Waste Water Treatment Plants. The treated water is reused as makeup water in Cooling Towers. During FY 2019-20, the refinery has recycled around 77% of waste water generated.
- 45,13,709 m3 of Tertiary treated Municipal Sewage Water received in MRPL during FY 2019-20 and after proper disinfection treatment, it is used in the Refinery as process water.
- Spent catalyst from PFCC unit is sent for co-processing in Cement Industries, while other spent catalysts are sent to the authorized recyclers for recovery of noble and other precious metals.
- To treat the organic waste generated from the Refinery Canteen and Colony, a Biogas Plant is installed. The biogas generated is used for cooking purpose in the main canteen.
- Treated effluent water quality is closely monitored before discharging to sea.

Principle 3- Employee Well-being

1. **Total number of employees**

   1942

2. **Total number of employees hired on temporary/contractual/casual basis**

   3050 approx. employees on contractual basis

3. **Number of permanent employees**

   131

4. **Number of permanent employees with disabilities**

   31

5. **Do you have an employee association that is recognized by management**

   Yes. The details are given below:

   a.) Management Staff Association (MSA)

   b.) MRPL Employees Union (MEU)

   c.) MRPL SC/ST Employees Welfare Association (MSSEWA)

   d.) Women in Public Sector (WIPS)

   e.) MRPL OBC Employees Welfare Association (MOEWA)

6. **Percentage of your permanent employees is members of this recognized employee association?**

   100%

7. **Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sl. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/	NIL	NIL
	involuntary labour		
2	Sexual harassment	01	01
3	Discriminatory employment	NIL	NIL

8. **Percentage of your under mentioned employees were given safety & skill up-gradation training in the last year.**

   During the Year 2019-20, the Company devoted 5265 Mandays for training, development and learning, which amounts to 3.21 Mandays per employee for Management staff and 2.30 Mandays per employee for Non-Management staff.

Principle 4- Stakeholder Engagement

1. **Mapped its internal and external stakeholders.**

   Yes, the stakeholders have been mapped as under:

   a.) Investors and shareholders

   b.) Employees

   c.) Local Community

   d.) Suppliers & Customers

   e.) Government regulatory authorities

2. **Identification of the disadvantaged, vulnerable & marginalized stakeholders.**
MRPL follows the guidelines issued by Department of Personnel and Training (DOPT) and list of identified posts reserved for Persons with disabilities issued by Ministry of Social Justice and Empowerment (Govt. of India) for employment of Persons with disabilities.

3. **Special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders.**
MRPL frequently conducts special recruitment drive to reduce the shortfall of numbers in reserved category.

Principle 5- Human Rights

1. **Coverage of the policy of the company on human rights cover and its extension to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others.**
MRPL is a Central Public Sector Enterprise and is guided by Government guidelines and applicable statutes which protect Human Rights in general as well as extend to its other stakeholders.

2. **Stakeholder complaints received in the past financial year and percentage of complaints satisfactorily resolved by the management.**
There were no complaints received on violation on Human Rights during the year 2019-20.

Principle 6- Environmental management

1. **Coverage of the policy related to Principle 6 and its extension to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others**
Nurturing and safeguarding the environment for long term sustainability is the primary objective of MRPL's environment policy. Though the policy covers only the company, the company strives to inculcate the responsibility of environment preservation and management amongst other stakeholder groups such as Contractors, Suppliers and Local Community for sharing the responsibility towards environmental protection.

2. **Company's strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.**

1. MRPL incessantly thrives for improving its business excellence and has improved in making positive environmental impact. MRPL keeps yearly track of the Carbon foot print with respect to refining per metric ton crude. MRPL indigenously undertakes energy conservation measures as detailed below.

a) HCU II Shell PFI
Implementation of Diesel Pump around in Hydrocracker -II Recycle Splitter Column
Heat recovery from Hydrocracker-2 Unconverted Oil by Cold Demineralized Water.

b) O2 enrichment for Sulphur Recovery Unit-2(SRU):
By routing O2 enriched air from Nitrogen unit to SRU thermal reactor, the unit has been able to process more feed thereby increasing the steam generation.

c) Crude Distillation Unit Phase I high capacity motor replacement:
Replacing the existing motor with a higher capacity motor for handling higher Reduced Crude Oil (RCO) from 280m3/hr. to 360m3/hr. Single pump operation as against two pump operation leading to lower power consumption.

d) Excess Air Reduction in CPP 3 Utility Boilers

e) Flue Gas Outlet temperature Reduction at outlet of HRSG 1 and 2.

f) Boiler Feed water header pressure reduction by destaging the boiler water feed pump from 13 stages to 12 stages.

g) Replacement of inefficient lighting fixture with energy efficient fixtures in non-shop floor area (Partly completed additional replacement during 2019-20).

h) Replacement of HPMV and HPSV lights with energy efficient fixtures in plant area (Partly completed).

i) Reduction of Vacuum column top pressure –CDU I

j) Stoppage of stripping steam in LGO&HGO strippers, optimisation of stripping steam in CDU I

k) Stoppage of Heavy Gas Oil Stripping Steam in CDU II

These measures resulted in estimated fuel savings (Standard Refinery Fuel equivalent) of 11148 SRFT/Year, equivalent to a net savings of nearly ₹ 1220 Lakhs/year.

2. MRPL has reduced more than 2% of fuel used to process a barrel of crude as MBN number and the same is continuously monitored.

3. MRPL implemented PAT (Perform Achieve Trade) and achieved the PAT MBN target for 2018-19. The actual MBN achieved during 2019-20 was 75.33.

3. Identification and assessment of potential environmental risks.

MRPL has a well-defined process for managing its risks on an ongoing basis. MRPL has Enterprise Risk Management System in place. "The ATR on risks identified and risk mitigation plan are reviewed periodically by the Top Management "**Company's initiative towards Clean Development Mechanism?**
The Company is yet to take up projects under the Clean Development Mechanism. However, the company has been successful in reducing its GHG emissions by implementing number of energy conservation measures and by reducing flaring. MRPL has appointed M/s Deloitte to carry Carbon Foot Printing (CFP) of refinery and to identify CDM project opportunities for future endeavours.

4. Company's initiatives on – clean technology, energy efficiency, renewable energy, etc.

a) The Company had embarked on a drive to replace inorganic fertilizer with in-house organic fertilizer produced by Vermicompost of MRPL horticulture debris. This novel attempt is being made to replace the usage of inorganic fertilizer within Refinery premises.
b) The Company is setting up Desalination Plant at Tannirbhavi, Mangalore of capacity 70 MLD.
c) The Company is planning to install Vapour Recovery System at Retail Outlets
d) The Company has completed EIA study in respect of the proposed State of Art 2G Ethanol Plant to be located at Davanegere, Karnataka and is in the process of conducting Public Hearing for the same. The said 60 KLPD Ethanol plant is an initiative in support of National Bio Fuel policy. The methodology adopted for the same is by conversion of agricultural residue to environment friendly blend stock for Gasoline.

5. Reporting on the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB.
The emissions/ waste generated by the company are within the permissible limits given by CPCB/ SPCB norms. The reports are being submitted periodically to the Karnataka State Pollution Control Board (KSPCB).

6. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year 2019-20. : Nil.

<u>Principle 7- Public Advocacy</u>

1. Representation in any trade and chamber or association.
Yes, the company is having membership in the following Associations / Bodies

1. Confederation of Indian Industry (CII)
2. Standing Committee on Public Enterprises (SCOPE)
3. Petroleum Conservation Research Association (PCRA)
4. National Accreditation Board of Testing and Calibration Laboratories (NABL)
5. Federation of Indian Petroleum Industry
6. Federation of Indian Export Organizations (FIEO)

2. Advocated/lobbied through above associations for the advancement or improvement of public good.
The Company is actively participating in Programs conducted by the association for improvement of public good.

<u>Principle 8: Inclusive Growth.</u>

1. Specified programs/initiatives/projects in pursuit of the policy related to Principle 8.
MRPL has a CSR & SD Policy with a thrust on inclusive growth and community development. Various CSR initiatives were taken by the company as per CSR/ SD policy (details furnished in Boards' Report **"Annexure-A"**).

2. **Programs/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization.**
The CSR Projects are implemented by the Company.

3. **Impact assessment for initiatives.**
Impact assessment is carried out after completion of the project, by taking feedback from the beneficiaries. Feedback is obtained from schools regarding improvement of attendance, academic performance of the students, improvements in extra-curricular activities of the students etc., to analyse the impact of the CSR projects such as providing Infrastructure facility, distribution of Scholarship etc., on the beneficiary schools. Similarly, feedback on improvement of health and living standard of the village residents is taken from the Grama Panchayaths, where various CSR projects are taken up such as Running of Free Primary Health Centre / Medical facility on wheels, construction of roads, installation of solar street lights, smoke free village, Pipe Compost, drinking water projects etc. An external agency is being hired for taking up Impact Assessment study of the major CSR projects taken up by MRPL.

.4. **Company's direct contribution to community development projects.**
An expenditure of ₹ 76.09 Crore has been incurred by MRPL during 2019-20 towards community development projects pertaining to Education, Healthcare, Community Development, Skill Development, Support to Biodiversity, Culture & Heritage, Contribution to National Disaster Relief Fund and PM CARES Fund etc.

5. **Steps to ensure that this community development initiative is successfully adopted by the community**
The CSR initiative taken up by the company has been successfully adopted by the community. There are lots of improvements in the area of education especially in student intake in rural Government Schools, sanitation, health, infrastructure development, environment in rural and downtrodden communities of the society. The quality of living with respect to hygiene has improved in rural SC/ST communities. Providing free medical facility through Primary Health Centers and Mobile Medical clinics in the surrounding rural area has greatly helped in improving the health condition of the rural people especially the agriculturists and . Providing hygienic midday meal to the students in the rural schools has helped in retaining strength in the Government Schools. Solar street lights installed in villages have helped the villagers to save energy. Construction of Anganwadi has helped in nurturing the children and pregnant . Differently abled persons with all kinds of impairment are supported with Aids and assistive devices. Pilikula Nisargadhama in the outskirts of Mangalore has been entirely maintained as a part of our contribution to Biodiversity. Our skill development programmes for the younger generation in the State has helped them to develop their skills.

Principle 9: Value for Customers.

1. **Percentage of customer complaints/consumer cases are pending as on the end of financial year.**
Nil
2. **Product information on the product labeling.**
Polypropylene bags provide Grade, Batch No., Bag No. and Company Logo with Address and Communication details, Bag handling information.
3. **Case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as at end of financial year.**
Nil
4. **Consumer survey/ consumer satisfaction trends carried out by the Company.**
Customer satisfaction survey conducted for FY 2019-20 for direct sales customers yielded result of 97.18%.

INDEPENDENT AUDITOR'S REPORT

To the Members of
MANGALORE REFINERY AND PETROCHEMICALS LIMITED
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of MANGALORE REFINERY AND PETROCHEMICALS LIMITED ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2020, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act,2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the relevant rules issued thereunder, of the state of affairs of the Company as at March 31, 2020 and its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for opinion

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

Emphasis of Matter

We draw your attention to Note no.52 to the Standalone Financial Statements, which describes the uncertainties due to outbreak of novel coronavirus (COVID-19) that has caused significant business disruptions worldwide. The extent to which the COVID-19 pandemic will have impact on the Company's financial performance is dependent on future developments which are highly uncertain. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED IT
Inventories	
Inventory consisting of Stock of Raw Materials in the form of crude oil and, Finished Goods and intermediates in the form of petroleum products form a significant portion of the Assets. This year due to the COVID-19 Pandemic the Auditors could not be physically present to inspect at the time of stock taking. Inventory is valued by the company at lower of cost or Net realisable value as given in Note No. 16 to the Financial statements. The Crude oil purchase and petroleum product prices fell sharply as discussed in the note to the financial statements and had to be written down to Realisable value.	We understood and tested the design and operating effectiveness of controls as established by the management in determination and valuation of the inventory. The stocks were physically verified by the Internal auditors of the company and documents relating to the same were examined by test check. We have verified the subsequent sale of inventory on test check basis to confirm the existence and valuation of inventory and performed rollback procedures to confirm the existence of inventory as at March 31, 2020. Assessed the appropriateness of Company's accounting policy for valuation of inventory and compliance of the policy with the requirements of the prevailing accounting standard Ind AS 2 and the actual cost determination was done correctly and considered various factors including the actual selling price prevailing around and subsequent to the year-end to ensure that the Realisable value was estimated correctly. Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value the inventory was written down. Reviewed the management judgement applied in calculating the value of inventory taking into account the subsequent selling price and management assessment of the present and future demand for the inventory. Assessed the adequacy

	of the relevant disclosure in the notes to the financial statements. Audit risk assessment and sampling were designed to gain assurance on the "Completeness", "Accuracy & Valuation" of financial statement at the assertion level and appropriate audit procedures were adopted.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED IT
Contingent Liabilities, Claims against the company and disputed taxes	
As per *Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets*, a contingent liability is a possible obligation arising from past events, the outcome of which will be confirmed only on the occurrence or non- occurrence of one or more uncertain future events (Ind AS 37). There are several claims and litigations against the company which in the judgement of the management would not eventually lead to a liability. Hence no provision is made in the accounts for the year under audit. Should there be an adverse outcome, the Company may be liable to pay the disputed amount which may carry interest and/ or penalty as decided by the adjudicating authority/statutory authority/court of law.	As per the standard, once recognized as a contingent liability, an entity should continually assess the probability of the outflow of the future economic benefits relating to that contingent liability. If the probability of the outflow of the future economic benefits changes to more likely than not, then the contingent liability may develop into an actual liability and would need to be recognized as a provision. We have reviewed the list of claims and litigations against the company and considered the present status and probability of the outflow of the future economic benefits from the available records and taken written representations.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED IT
Deferred Tax Asset	
As per *Ind AS 12- Income Taxes,* The amounts of income taxes recoverable in future periods in respect of deductible temporary differences and the carry forward of unused tax losses and credits. The reversal of deferred tax assets depends upon the management estimates and future realisable profits which have a degree of uncertainty.	On review of the Deferred Tax Asset the following factors were considered: a. Existence of sufficient taxable temporary difference. b. Convincing other evidence that sufficient taxable profits will be available in the future. Based on the future projections and representations provided to us, the Company's judgement on recoverability of Deferred Tax Asset as mentioned in Note No.25 of the Standalone Financial Statements is fair and reasonable.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED IT
Impairment of Assets	
As per *Ind AS 36- Impairment of Assets,* for investments in subsidiaries, joint ventures or associates, impairment has to be done when the carrying amount of such investment in the separate financial statement is higher than the carrying amount in the consolidated financial statements of the investee's net assets, including associated goodwill. ONGC Mangalore Petrochemicals Limited being the subsidiary of Mangalore Refinery and Petrochemicals Limited, has incurred continuous losses which has led to erosion of its net worth. The management of ONGC Mangalore Petrochemicals Limited has estimated that it will make profits in the upcoming years based on the assumptions and projections which have been approved by the Board of directors of ONGC Mangalore Petrochemicals Limited.	We have reviewed assumptions considered by the Board of Directors of ONGC Mangalore Petrochemicals Limited for projecting the future cash flows and the basis of criteria for the underlying preparation of these projections. Based on the representations provided to us by the management and the Statutory auditor of the subsidiary company, impairment has not been made to the investments made in the subsidiary as at the end of the financial year (Refer note no.11 of the Standalone Financial statements).

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The above referred information is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in **Annexure – A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. Based on the verification of Records of the Company and based on information and explanations given to us, we give here below a report on the Directions issued by the Comptroller and Auditor General of India in terms of Section 143(5) of the Act:

   a. The company processes all the accounting transactions through IT system. As there were no accounting transactions processed outside the IT system for the year ended 31st March 2020 closure, no financial implications arise to impact the integrity of accounts.

   b. There is no 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.

   c. Government grants in the form of interest free loans received from the State Government have been properly accounted and utilized as per terms and conditions.

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

   d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. Disqualification of directors stated under Section 164(2) of the Act is not applicable to a Government Company as per notification no. GSR 463(E) of the Ministry of Corporate Affairs dated 05/06/2015.

   f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure – B**.

   g. As per notification no. GSR 463(E) of the Ministry of Corporate Affairs dated 05/06/2015, provisions of section 197 as regards managerial remuneration are not applicable to the Company since it is a Government Company.

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

a. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note No. 46 to the standalone financial statements;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S. VENKATRAM & CO. LLP**
Chartered Accountants
Firm Registration Number: 004656S/S200095

sd/-
C.A. KRISHNAMURTHY M
Partner
Membership no: 083875
UDIN: 20083875AAAAAP7748

Place: Bangalore
Date: 9th June, 2020

For **MANOHAR CHOWDHRY & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 001997S

sd/-
C.A. MURALI MOHAN BHAT
Partner
Membership no: 203592
UDIN: 20203592AAAABZ5457

Place: Mangalore
Date: 9th June, 2020

Annexure - A to the Independent Auditor's Report

(Referred to in our report of even date)

(i) In respect of the Company's fixed assets:

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

b. All the assets have not been physically verified by the management during the year, but there is a regular programme of verification, which, in our opinion is reasonable having regard to the size of the Company and nature of its assets. As per the reports submitted by the Company, no material discrepancies have been noticed on such verification.

c. According to the information and explanation given to us and the records of the Company examined by us, the title deeds of immovable properties are held in the name of the Company. In respect of immovable properties taken on lease and disclosed as right-of-use-assets in the standalone financial statements, the formal lease agreements for lands amounting to ₹ 1305.60 Million are yet to be executed. Refer Note no. 6.3 to the standalone financial statements.

(ii) We are informed that the inventory of stores and spares are physically verified during the year by the management on a continuous basis as per programme of perpetual inventory. Inventories of other items have been physically verified at the year end. The frequency of the verification, in our opinion, is reasonable having regard to the size of the company and nature of its business. As per the reports submitted by the Company, no material discrepancies have been noticed on such verification.

iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) According to the information and explanations given to us, in respect of loans, investments, guarantees, and security, the Company has complied with provisions of Section 185 and Section 186 of the Companies Act, 2013.

(v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder.

(vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Subsection (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii)

a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Goods and Services Tax, Sales Tax, Duty of Excise and other statutory dues applicable to it during the year with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Duty of Excise and other statutory dues outstanding as at 31st March, 2020 for a period of more than six months from the date they became payable.

b. According to information and explanations given to us and as per our verification of records of the Company, the disputed tax which are not deposited with the appropriate authorities as at 31st March, 2020 are given below.

(Amount in ₹ Millions)

NAME OF THE STATUTE	NATURE OF THE DUES	TOTAL DEMAND	TOTAL TAX PAID UNDER PROTEST/ ADJUSTED	AMOUNT NOT DEPOSITED	PERIOD (FINANCIAL YEAR)	FORUM WHERE THE DISPUTE IS PENDING
Income Tax Act, 1961 *	Income Tax / Interest / Penalty	296.31	296.31		AY 1993 - 03	Bombay High Court
		10.93	10.93		AY 1993 - 03	Income Tax Appellate Tribunal-Mumbai
		138.61		138.61	AY 2008 - 09	Commissioner of Income Tax, Mangaluru
		1.08		1.08	AY 2009 - 10	Commissioner of Income Tax, Mangaluru
		0.73		0.73	AY 2017 - 18	Commissioner of Income Tax, Mangaluru
Central Excise Act, 1944 **	Central Excise Duty / Service Tax / Interest / Penalty	6237.08	267.40	5969.68	1997-98 to 2016-17	CESTAT
		10.45	0.02	10.43	2014-15 to 2016-17	Commissioner (Appeals)
		2.07	2.07	Nil	2002-03 to 2015-16	Joint Secretary, MOF
		5.82	0.50	5.32	2020-11	Commissioner of Central Excise, Mangalore
The Customs Act, 1962	Custom Duty / Interest / Penalty	7,013.39	2,507.58	4,577.67	1997-98 to 2016-17	CESTAT
		71.86			1996-97 to 2007-08	Supreme Court
		3.34	0.76	2.58	2017-18	Commissioner (Appeals) (Customs)
The Karnataka Sales tax Act,1957/ Central Sales Act, 1956	Tax/ Interest/ Penalty	4,341.60	4,341.60	-	1999-00 to 2009-10	Karnataka Appellate Tribunal
		16.42	12.42	4.00	2009-10 to 2011-12	Karnataka High Court
		34.97	22.66	12.31	2003-04	Gujarat Value Added Tax Tribunal

* The Company has opted to settle the Disputed demand under the Income tax Act, 1961 through the Direct Tax Vivad Se Vishwas Act, 2020 and its applicable rules, and accordingly, a sum of ₹ 282.01 Million **(against a demand of ₹ 447.65 Millions)** payable under the said scheme is included in ₹ 1084.76 Million which has been charged as prior year tax in the Statement of Profit and Loss during the current year. (Note No. 14.1 to Financial statements)

** In respect of Central excise and service tax matters amounting to a sum of ₹ 2.31 Million the company has opted to settle the disputed demand under the Sabka Vishwas (Legacy Dispute Resolution) Scheme 2019 (Note No. 15.4 to Financial statements).

(viii) According to the information and explanation given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowing to any bank or Government during the year.

(ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans borrowed were applied for the purpose for which they were raised.

(x) According to the information and explanations given to us and the books of account examined by us no instance of fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) As per notification no. GSR 463(E) of the Ministry of Corporate Affairs dated 05/06/2015, provisions of section 197 as regards managerial remuneration are not applicable to the Company since it is a Government Company.

(xii) As the Company is not a Nidhi Company and the Nidhi Rules,2014 are not applicable to it; the provisions of Clause 3(xii) of the Order are not applicable to the Company.

(xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors during the year.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **S. VENKATRAM & CO. LLP**
Chartered Accountants
Firm Registration Number: 004656S/S200095

sd/-

C.A. KRISHNAMURTHY M
Partner
Membership no: 083875
UDIN: 20083875AAAAAP7748

Place: Bangalore
Date: 9th June, 2020

For **MANOHAR CHOWDHRY & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 001997S

sd/-

C.A. MURALI MOHAN BHAT
Partner
Membership no: 203592
UDIN: 20203592AAAABZ5457

Place: Mangalore
Date: 9th June, 2020

Annexure -B to the Independent Auditors' Report

(Referred to in our report of even date)

Report on the Internal Financial Controls with reference to these Standalone Financial Statements under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of MANGALORE REFINERY AND PETROCHEMICALS LIMITED ("the Company") as of 31st March,2020, 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 with reference to 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements 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") issued by the Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing 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 with reference to these standalone financial statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to the standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 internal financial controls system with reference to the standalone financial statements of the Company.

Meaning of Internal Financial Controls with Reference to the Standalone Financial Statements

A company's internal financial control with reference to the standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the standalone financial statements includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to the Standalone Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial control system with reference to the standalone financial statements and such internal financial controls with reference to the standalone financial statements were operating effectively as at 31st March 2020, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S. VENKATRAM & CO. LLP**	For **MANOHAR CHOWDHRY & ASSOCIATES**
Chartered Accountants	Chartered Accountants
Firm Registration Number: 004656S/S200095	Firm Registration Number: 001997S
sd/-	sd/-
C.A. KRISHNAMURTHY M	**C.A. MURALI MOHAN BHAT**
Partner	Partner
Membership no: 083875	Membership no: 203592
UDIN: 20083875AAAAAP7748	UDIN: 20203592AAAABZ5457
Place: Bangalore	Place: Mangalore
Date: 9th June, 2020	Date: 9th June, 2020

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

A Equity share capital

(All amounts are in ₹ million unless otherwise stated)

Particulars	Amount
Balance as at April 1, 2018	**17,526.64**
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**17,526.64**
Changes in equity share capital during the year	-
Balance as at March 31, 2020	**17,526.64**

B Other equity

Particulars	Deemed Equity	Reserves and Surplus				Total
		General Reserve	Capital Redemption Reserve	Securities Premium	Retained Earnings	
Balance as at April 1, 2018	**38.40**	**1,192.00**	**91.86**	**3,490.53**	**87,991.30**	**92,804.09**
Profit for the year	-	-	-	-	3,319.56	3,319.56
Other Comprehensive Income (OCI)	-	-	-	-	(45.21)	(45.21)
Total Comprehensive Income	-	-	-	-	**3,274.35**	**3,274.35**
Adjustment in Deemed Equity	3.77	-	-	-	-	3.77
Appropriation towards final dividend	-	-	-	-	(5,257.80)	(5,257.80)
Appropriation towards final dividend distribution tax	-	-	-	-	(1,080.76)	(1,080.76)
Balance as at March 31, 2019	**42.17**	**1,192.00**	**91.86**	**3,490.53**	**84,927.09**	**89,743.65**
Profit for the year	-	-	-	-	(27,076.42)	(27,076.42)
Other Comprehensive Income (OCI)	-	-	-	-	(85.73)	(85.73)
Total Comprehensive Income	-	-	-	-	**(27,162.15)**	**(27,162.15)**
Adjustment in Deemed Equity	-	-	-	-	-	-
Appropriation towards final dividend	-	-	-	-	(1,752.60)	(1,752.60)
Appropriation towards final dividend distribution tax	-	-	-	-	(360.25)	(360.25)
Balance as at March 31, 2020	**42.17**	**1,192.00**	**91.86**	**3,490.53**	**55,652.09**	**60,468.65**

As per our report of even date attached

For and on behalf of the Board

For MANOHAR CHOWDHRY & ASSOCIATES
Chartered Accountants
Firm Registration No. : 001997S

For S VENKATRAM & CO LLP
Chartered Accountants
Firm Registration No. : 004656S/S200095

sd/-
M VENKATESH
Managing Director
DIN: 07025342

sd/-
CA. MURALI MOHAN BHAT
Partner
Membership No. 203592

sd/-
CA. KRISHNAMURTHY M
Partner
Membership No. 083875

sd/-
POMILA JASPAL
Director (Finance)
DIN: 08436633

sd/-
DINESH MISHRA
Company Secretary

Place : New Delhi
Date : 09/06/2020

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

(All amounts are in ₹ million unless otherwise stated)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
I Non-Current Assets			
(a) Property, Plant and Equipment	5	137,619.60	139,827.90
(b) Right-of-Use Assets	6	4,600.53	-
(c) Capital Work-in-Progress	7	17,302.04	9,824.98
(d) Investment Property	8	77.96	77.96
(e) Goodwill	9	4.04	4.04
(f) Other Intangible Assets	10	90.45	51.69
(g) Financial Assets			
(i) Investments	11	17,576.56	15,026.47
(ii) Loans	12	1,108.72	927.27
(iii) Other Financial Assets	13	198.57	135.04
(h) Non-Current Tax Assets (net)	14	1,636.54	2,306.51
(i) Deferred Tax Assets (net)	25	3,458.46	-
(j) Other Non-Current Assets	15	8,721.26	11,708.14
Total Non Current Assets (I)		**192,394.73**	**179,890.00**
II Current Assets			
(a) Inventories	16	38,899.75	58,110.36
(b) Financial Assets			
(i) Trade Receivables	17	10,422.69	23,222.96
(ii) Cash and Cash Equivalents	18	17.80	25.91
(iii) Bank Balances other than (ii) above	19	262.15	4,849.44
(iv) Loans	12	133.19	111.64
(v) Other Financial Assets	13	6,329.33	5.58
(c) Current Tax Assets (net)	14	1,982.33	1,523.76
(d) Other Current Assets	15	3,647.66	4,172.94
Total Current Assets (II)		**61,694.90**	**92,022.59**
TOTAL ASSETS (I+II)		**254,089.63**	**271,912.59**
EQUITY AND LIABILITIES			
I Equity			
(a) Equity Share Capital	20	17,526.64	17,526.64
(b) Other Equity	21	60,468.65	89,743.65
Total Equity (I)		**77,995.29**	**1,07,270.29**
LIABILITIES			
II Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	79,515.17	32,208.98
(ii) Other Financial Liabilities	23	1,868.65	-
(b) Provisions	24	947.47	681.73
(c) Deferred Tax Liabilities (net)	25	-	10,155.44
(d) Other Non Current Liabilities	27	3,596.15	3,482.11
Total Non Current Liabilities (II)		**85,927.44**	**46,528.26**
III Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	24,360.83	48,567.58
(ii) Trade Payables	26		
-Total outstanding dues of micro enterprises and small enterprises		336.00	227.48
-Total outstanding dues of creditors other than micro enterprises and small enterprises		32,375.17	46,522.88
(iii) Other Financial Liabilities	23	22,518.03	15,723.71
(b) Other Current Liabilities	27	8,763.83	2,491.14
(c) Provisions	24	1,813.04	4,581.25
Total Current Liabilities (III)		**90,166.90**	**118,114.04**
IV Total Liabilities (II+III)		**176,094.34**	**164,642.30**
TOTAL EQUITY AND LIABILITIES (I+IV)		**254,089.63**	**271,912.59**

See accompanying notes to the standalone financial statements (1-55)
As per our report of even date attached

For and on behalf of the Board

sd/-
M VENKATESH
Managing Director
DIN: 07025342

For MANOHAR CHOWDHRY & ASSOCIATES
Chartered Accountants
Firm Registration No. : 001997S

sd/-
CA. MURALI MOHAN BHAT
Partner
Membership No. 203592

For S VENKATRAM & CO LLP
Chartered Accountants
Firm Registration No. : 004656S/S200095

sd/-
CA. KRISHNAMURTHY M
Partner
Membership No. 083875

sd/-
POMILA JASPAL
Director (Finance)
DIN: 08436633

sd/-
DINESH MISHRA
Company Secretary

Place : New Delhi
Date : 09/06/2020

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in ₹ million unless otherwise stated)

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
I.	Revenue from Operations	28	607,515.38	723,151.10
II.	Other Income	29	1,050.41	1,552.66
III.	**Total income (I + II)**		**608,565.79**	**724,703.76**
IV.	**Expenses:**			
	Cost of Materials Consumed	30	466,242.67	585,137.08
	Purchases of Stock-in-Trade	31	33,520.79	5,260.88
	Changes in Inventories of Finished Goods and Stock-in-Process	32	13,474.20	(5,616.39)
	Excise Duty on Sale of Goods		97,496.06	1,02,529.74
	Employee Benefits Expense	33	4,401.22	4,286.56
	Finance Costs	34	7,425.85	4,717.49
	Depreciation and Amortisation Expense	35	7,832.08	7,567.52
	Other Expenses	36	17,727.20	14,865.29
	Total Expenses (IV)		**648,120.07**	**718,748.17**
V.	**Profit/ (Loss) Before Exceptional Items and Tax (III-IV)**		**(39,554.28)**	**5,955.59**
VI.	Exceptional Items (Income)/Expenses (net)	37	-	147.94
VII.	**Profit/ (Loss) Before Tax (V - VI)**		**(39,554.28)**	**5,807.65**
VIII.	Tax Expenses:			
	(1) Current Tax		38	
	- Current year		-	1,221.58
	- Earlier years		1,037.36	133.75
	(2) Deferred Tax	25	(13,515.22)	1,132.76
	Total Tax Expenses (VIII)		**(12,477.86)**	**2,488.09**
IX	**Profit/ (Loss) for the year (VII - VIII)**		**(27,076.42)**	**3,319.56**
X	**Other Comprehensive Income**			
	Items that will not be reclassified to Profit or Loss			
	(a) Remeasurement of the Defined Benefit Plans		(131.78)	(69.49)
	(b) Income Tax relating to above	38	46.05	24.28
	Total Other Comprehensive Income (X)		**(85.73)**	**(45.21)**
XI	**Total Comprehensive Income for the year (IX+X)**		**(27,162.15)**	**3,274.35**
XII	Earnings per Equity Share:	39		
	(1) Basic (in ₹)		(15.45)	1.89
	(2) Diluted (in ₹)		(15.45)	1.89

See accompanying notes to the standalone financial statements (1-55)
As per our report of even date attached

For and on behalf of the Board

sd/-
M VENKATESH
Managing Director
DIN: 07025342

sd/-
POMILA JASPAL
Director (Finance)
DIN: 08436633

sd/-
DINESH MISHRA
Company Secretary

For MANOHAR CHOWDHRY & ASSOCIATES
Chartered Accountants
Firm Registration No. : 001997S

sd/-
CA. MURALI MOHAN BHAT
Partner
Membership No. 203592

For S VENKATRAM & CO LLP
Chartered Accountants
Firm Registration No. : 004656S/S200095

sd/-
CA. KRISHNAMURTHY M
Partner
Membership No. 083875

Place : New Delhi
Date : 09/06/2020

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in ₹ million unless otherwise stated)

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
A	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Profit / (Loss) After Tax		**(27,076.42)**	**3,319.56**
	Adjustments for :			
	Tax Expense		(12,477.86)	2,488.09
	Depreciation and Amortisation expense		7,832.08	,567.52
	Loss/ (profit) on Sale of Property, Plant and Equipment (net)		83.49	80.10
	Liability no longer required written back		(127.54)	(129.90)
	Impairment of doubtful trade receivables & Non Moving Inventories		168.31	73.67
	Exchange Rate Fluctuation (net)		5,642.54	823.20
	Finance Costs		7,425.85	4,717.49
	Interest Income		(504.58)	(1,036.76)
	Dividend Income		(18.56)	(104.47)
	Amortisation of Prepayments		6.68	11.26
	Amortisation of Deferred Government Grant		(187.94)	(178.24)
	Others		(131.78)	(69.49)
			(19,365.73)	**17,562.03**
	Movements in Working Capital :			
	- (Increase)/ Decrease in Trade and Other Receivables		12,616.75	3,390.78
	- (Increase)/ Decrease in Loans		(200.89)	(347.31)
	- (Increase)/ Decrease in Other Assets		580.04	(4,198.93)
	- (Increase)/ Decrease in Inventories		19,200.71	(10,781.13)
	- Increase/ (Decrease) in Trade Payables and Other Liabilities		(10,135.74)	589.98
	Cash generated from Operations		**2,695.14**	**6,215.42**
	Income Taxes paid, net of refunds		(861.80)	(523.51)
	Net Cash generated from / (used in) Operations	(a)	**1,833.34**	**5,691.91**
B	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Payments for Property, Plant and Equipment		(13,531.40)	(9,110.78)
	Proceeds from disposal of Property, Plant and Equipment		5.74	13.89
	Interest Received		439.51	1,062.82
	Dividend received from Joint Venture		6.00	21.00
	Dividend received from Investments in Mutual Fund		12.56	83.47
	Investment in Subsidiary Company		(2,550.09)	(1,530.05)
	Tax Paid on Interest Income		(16.79)	(62.64)
	Net Cash generated from / (used in) Investing Activities	(b)	**(15,634.47)**	**(9,522.29)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds / (Repayment) from Long Term Borrowings (net)		47,667.12	(6,269.01)
	Proceeds / (Repayment) from Short Term Borrowings (net)		(24,447.44)	17,082.17
	Payment of Lease Liabilities		(254.29)	-
	Finance Costs Paid		(7,059.52)	(5,021.84)
	Dividends and Dividend Distribution Tax paid on Equity Shares		(2,112.85)	(6,338.56)
	Net Cash generated from / (used in) Financing Activities	(c)	**13,793.02**	**(547.24)**
	Net Increase / (Decrease) in Cash and Cash Equivalents	(a+b+c)	**(8.11)**	**(4,377.62)**
	Cash and Cash Equivalents as at the beginning of the year		**25.91**	**4,403.53**
	Cash and Cash Equivalents as at the end of the year		**17.80**	**25.91**
	Net Change in cash and Cash Equivalents (Closing - Opening)	(a+b+c)	**(8.11)**	**(4,377.62)**

1 The above statement of Cash Flows prepared under the "Indirect method" as set out in the Ind AS 7 "Statement of Cash Flows".
2 Brackets indicate cash outflow.

See accompanying notes to the standalone financial statements (1-55)
As per our report of even date attached

For and on behalf of the Board

For MANOHAR CHOWDHRY & ASSOCIATES
Chartered Accountants
Firm Registration No. : 001997S

sd/-
CA. MURALI MOHAN BHAT
Partner
Membership No. 203592

Place : New Delhi
Date : 09/06/2020

For S VENKATRAM & CO LLP
Chartered Accountants
Firm Registration No. : 004656S/S200095

sd/-
CA. KRISHNAMURTHY M
Partner
Membership No. 083875

sd/-
M VENKATESH
Managing Director
DIN: 07025342

sd/-
POMILA JASPAL
Director (Finance)
DIN: 08436633

sd/-
DINESH MISHRA
Company Secretary

Notes to the Standalone Financial Statements for the period ended March 31, 2020

1. Corporate information

Mangalore Refinery and Petrochemicals Limited ('MRPL' or 'the Company') is a Central Public Sector Enterprise domiciled and incorporated in India having its registered office at Mudapadav, Kuthethoor P.O. via Katipalla, Mangaluru, Karnataka - 575030. The Company's equity shares are listed and traded on BSE Limited and National Stock Exchange Limited, stock exchanges. The Company is engaged in the business of refining of crude oil. The Company is a subsidiary of Oil and Natural Gas Corporation Limited which holds 71.63% equity shares.

2. Application of new and revised Indian Accounting Standards

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparing these Financial Statements.

As on the reporting date, there were no new Indian Accounting Standards (IndAS) issued by the Ministry of Corporate Affairs (MCA) which would have been applicable from April 1, 2020.

3. Significant Accounting Policies

3.1. Statement of compliance

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

3.2. Basis of preparation

The Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values / amortized cost / net present value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

The Financial Statements are presented in Indian Rupees and all values are rounded to the nearest two decimal million except otherwise stated.

Fair Value measurement

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

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

(a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the assets or liabilities.

(c) Level 3 inputs are unobservable inputs for the assets or liabilities reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

3.3. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to Company's cash-generating units that is expected to benefit from the synergies of the combination.

A Cash Generating Unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the Cash Generating Unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant Cash Generating Unit, the attributable amount of goodwill is included in the determination of the profit or loss.

3.4. Investments in Subsidiary and Joint Venture

3.4.1 The Company records the Investments in Subsidiary and Joint Venture at cost less impairment, if any.

3.4.2 After initial recognition, the Company determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in Subsidiary, or a Joint Venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Company's investment in Subsidiary or a Joint Venture.

3.4.3 When necessary, the cost of the Investment is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any reversal of impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

3.4.4 Upon disposal of Investment in Subsidiary or Joint Venture, a gain or loss is recognised in the Statement of Profit and Loss and is calculated as the difference between

(a) The aggregate of the fair value of consideration received and

(b) The previous carrying amount of the Investment in Subsidiary or Joint Venture.

3.5. Non-Current Assets held for sale

Non-Current Assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-Current Assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject to terms that are usual and customary for sales of such assets. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, Plant and Equipment and Intangible Assets are not depreciated or amortized once classified as held for sale.

3.6. Revenue Recognition

3.6.1 Revenue from sales of goods and services are recognized upon the satisfaction of a single performance obligation, which occurs when control transfers to the customer. Control of the goods is determined to be transferred to the customer when the title of goods passes to the customer, which typically takes place when product is physically transferred into a vessel, pipeline or other delivery mechanism. In respect of revenue contracts for goods which provide for provisional pricing (wherever applicable) at the time of shipment, the final price adjustment if any will be given effect in the period in which it is finalised/ settled.

3.6.2 Revenue is measured at the transaction price of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, GST and sales tax. Any retrospective revision in prices is accounted for in the year of such revision.

3.6.3 Price Reduction Schedule (PRS) for delay in execution of contracts/supplies are accounted for as per the terms of the contracts/ agreement. The PRS amount would be recognised as income except on account of capital projects wherein the adjustments are carried out to the cost of the asset. The adjustments are carried out prospectively upon finalization.

3.6.4 The Company has entered into take or pay contracts with a customer. In this transaction, revenue is recognised as per the formula laid out in the contract with the customers.

3.6.5 Revenue from sale of scrap is recognised at the point in time when control (transfer of custody of goods) is passed to customers.

3.6.6 Interest income from Financial Assets 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).

3.6.7 For Non -Financial Assets, interest income is recognised on a time proportion basis. Interest income on refundable taxes/ duties is recognised on receipt basis.

3.6.8 Dividend Income is recognised when the right to receive the dividend is established.

3.6.9 Excise duty is presented as expense in the Statement of Profit and Loss. Excise duty in respect of difference between closing and opening stock of excisable goods is included under "Other Expenses".

3.7. Leases

Effective 1st April 2019, the Company has adopted Ind AS 116 "Leases" using the modified retrospective transition method. Accordingly, the Company has not made restatement of comparative information, which are still presented in accordance with Ind AS 17. The new standard defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company has exercised the option not to apply this standard to leases of Intangible Assets.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

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

Company as a Lessee:

At the date of commencement of the lease, the Company recognizes a Right-of-Use Assets (ROU Assets) and a corresponding Lease Liability for all lease contracts / arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and lease of low value assets. For these short-term and low value leases, the Company recognizes the lease payments on straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Right-of-Use Assets and Lease Liabilities includes these options when it is reasonably certain that they will be exercised.

The Lease Liability is initially measured at present value of the future lease payments over the reasonably certain lease term. The lease payments are discounted using the interest rate implicit in the lease, if it is not readily determinable, using the incremental borrowing rate. For leases with similar characteristics, the Company, on a lease by lease basis applies either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The Right-of-Use Assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.

Subsequently, the Right-of-Use Assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The Right-of-Use Assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of Right-of-Use Assets. The Company applies Ind AS 36 to determine whether a Right-of-Use Assets are impaired and accounts for any identified impairment loss as described in the accounting policy below on “Impairment of Property, Plant and Equipment (PPE), Right of Use Assets (ROU), Intangible Assets other than Goodwill”.

The interest cost on Lease Liability (computed using effective interest rate method) is expensed in the Statement of Profit and Loss unless eligible for capitalization as per accounting policy below on “Borrowing costs”.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS 116 and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Right-of-Use Assets are derecognized upon completion or cancellation of the lease contract.

Lease Liability and Right-of-Use Assets have been separately presented in the Balance Sheet and lease payments have been classified as financing activity in the Statement of Cash Flows.

Lease modification impact is on prospective basis.

3.8. Foreign Currency Transactions

The Company's Financial Statements are presented in Indian Rupee (₹), which is also its Functional Currency.

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

Exchange difference arising in respect of foreign currency monetary items is recognised in the Statement of Profit and Loss either as 'Exchange Rate Fluctuation loss/ (gains) (Net)' or as 'Finance Costs' except for the exchange difference related to long term foreign currency monetary items outstanding as at March 31, 2016, in so far as, they relate to the acquisition of depreciable assets, are adjusted against the cost of such assets and depreciate the said adjustment, over the balance life of asset.

3.9. Borrowing Costs

Borrowing costs consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange rate variation to the extent regarded as an adjustment to interest cost.

Borrowing costs specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

3.10. Government Grants

Government Grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government Grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Specifically, Government Grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance Sheet and transferred to Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a Government loan at a below market rate of interest is treated as a Government Grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

3.11. Employee Benefits

Employee benefits include salaries, wages, provident fund, superannuation fund, gratuity fund, compensated absences, post-employment medical benefits, termination benefits and resettlement allowances.

Defined Contribution Plans

Employee benefit under Defined Contribution Plans comprising of provident fund and superannuation fund are recognized based on the amount of obligation of the Company to contribute to the plan. The same is paid to a Provident Fund Trust authorities and to Life Insurance Corporation of India respectively, which are expensed during the year.

Defined Benefit Plans

Defined Benefit Plans comprising of gratuity, post-retirement medical benefits and other long-term retirement benefits, which are recognized based on the present value of Defined Benefit Obligation and 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 as current Employee Costs or included in cost of Assets as permitted.

Net interest on the net defined liability is calculated by applying the discount rate at the beginning of the period to the net Defined Benefit Liability or Asset and is recognized in the Statement of Profit and Loss except those included in cost of Assets as permitted.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), are recognized in Other Comprehensive Income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to profit or loss.

The Company contributes all ascertained liabilities with respect to Gratuity to the MRPL's Gratuity Fund Trust (MGFT). Other Defined Benefit schemes are un-funded.

The Retirement Benefit Obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's Defined Benefit Plans. Any surplus resulting from the actuarial calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Short-term Employee Benefits

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

The cost of Short-term compensated absences is accounted as under:

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

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

Long-term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

Termination Benefits

Premature Retirement on Medical Grounds

The Company has an approved scheme of Premature Retirement on Medical Grounds. Ex-gratia payment equivalent to 60 days emolument for each completed year of service or the monthly emoluments at the time of retirement multiplied by the balance months of service left before normal date of retirement, whichever is less is payable apart from Superannuation Benefits.

Scheme for Self Insurance for providing lump-sum monetary compensation

Under the scheme of 'Post Retirement Benefit and Benefit on Separation', in case of employee suffering death or permanent total disablement due to an accident arising out of and in the course of employment, a compensation equivalent to 100 months Basic Pay plus Dearness Allowance (DA) without laying down any minimum amount is payable.

Benefits of Separation under SABF

In case of death / permanent disablement of an employee while in service in the Company, the beneficiary has to exercise desired options available within 6 months from the date of death / permanent total disablement.

The liabilities for Defined Benefit Plans (other than Termination Benefits) are recognized on the basis of actuarial valuation and charged to Statement of Profit and Loss. Termination Benefits are charged to Statement of Profit and Loss as and when incurred.

3.12. Taxation

Tax Expense represents the sum of the Current Tax and Deferred Tax.

(i) Current Tax

The tax currently payable is based on Taxable Profit for the year. Taxable profit differs from 'Profit Before Tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's Current Tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred Tax

Deferred Tax is recognised on temporary differences between the carrying amounts of Assets and Liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred Tax Liabilities are generally recognised for all taxable temporary differences. Deferred Tax Assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

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

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

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

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

Current and Deferred Tax for the year

Current and Deferred Tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the Current and Deferred Tax are also recognised in Other Comprehensive Income or directly in Equity respectively.

3.13. Property, Plant and Equipment (PPE) and Right of Use Assets (ROU)

Land and Buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less Accumulated depreciation and Accumulated impairment losses if any. Freehold Land is not depreciated.

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

PPE are stated at cost less Accumulated depreciation and Accumulated impairment losses if any.

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

Depreciation is provided on the cost of PPE (other than Freehold Land and Properties under construction) less their residual values over their useful lives, using Straight Line Method, over the useful life of component of various assets as specified in Schedule II to the Companies Act, 2013, except in case of certain components of the Plant and Equipment/ other assets whose useful lives are determined based on technical evaluation and the useful life considered under Company's policy for the employee's vehicle and furniture scheme.

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

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

Stores and Spares which qualifies as Property, Plant and Equipment for specific machinery are capitalised.

Major capital spares are capitalised as Property, Plant and Equipment. Depreciation on such spares capitalised as Property, Plant and Equipment are depreciated over the period starting when it is brought into service and continuing over the shorter of its useful life and the remaining expected useful life of the asset to which it relates and written down value of the spare is charged to the Statement of Profit and Loss as and when replaced.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding ₹ 5,000/- (other than company purchase scheme for employees) which are fully depreciated at the time of addition.

Estimated useful lives of the Assets are as follows:

SI. . No	**Particulars**	**Useful lives (in years)**
1.	Buildings	1-60
2.	Plant and Equipment – Catalysts	2-10
3.	Plant and Equipment – Computers	3-7
4.	Plant and Equipment – Continuous Process Plant not covered under Specific Industries (Triple shift)	7.5
5.	Plant and Equipment – Electrical/ Lab/ Canteen/ School	10
6.	Plant and Equipment – Instrumentation items/ DCS/ Hospital/ Others	15
7.	Plant and Equipment – Refinery Assets	25
8.	Plant and Equipment – Pipelines/ SPM/ Offshore Component/ Civil Structure	30
9.	Plant and Equipment – Power Plant	40
10.	Railway Siding	15
11.	Office Equipment	5
12.	Furniture and Fixtures	6-10
13.	Vehicles	4-8

An item of Property, Plant and Equipment is derecognised upon disposal, replacement, deduction, reclassification or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the Asset and is recognised in Statement of Profit and Loss.

Right-of-Use Assets are depreciated on a straight line basis over the lease term or useful life of the underlying asset, whichever is lower.

3.14. Intangible Assets

3.14.1. Intangible Assets other than Goodwill

Intangible Assets with finite useful lives that are acquired separately are carried at cost less Accumulated amortisation and Accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are not subject to amortization and are carried at cost less Accumulated impairment losses if any.

Expenditure on internally generated intangibles, excluding development costs, is not capitalized and is reflected in Statement of Profit and Loss in the period in which such expenditure is incurred. Development costs are capitalized if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.

3.14.2. Derecognition of Intangible Assets

An Intangible Asset is derecognised on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an Intangible Asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in Statement of Profit and Loss when the asset is derecognised.

3.14.3. Useful lives of Intangible Assets

Estimated useful lives of the Intangible Assets are as follows:

Sl. No.	Particulars	Useful lives (in years)
1.	Computer Software	3-10
2.	Licence and Franchise	3

3.15. Impairment of Property, Plant and Equipment (PPE), Right of Use Assets (ROU), Intangible Assets other than Goodwill

The Company reviews the carrying amounts of its Intangible Assets, Property, Plant and Equipment (including Capital Works-in-Progress) and Right-of-Use Assets of a "Cash Generating Unit" (CGU) at the end of each reporting period to determine whether there is any significant indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit to which the asset belongs.

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

If the recoverable amount of an asset (or Cash Generating Unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or Cash Generating Unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

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

3.16. Statement of Cash Flows

Statement of Cash Flows are reported using the indirect method, whereby Profit After Tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with Investing or Financing activities. The Cash Flows are segregated into Operating, Investing and Financing activities.

3.17. Earnings Per Share (EPS)

Basic Earnings per Share are calculated by dividing the Net Profit or Loss for the period attributable to Equity Shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of Equity Shares outstanding during the period.

For the purposes of calculating Diluted Earnings per Share, the Net Profit or Loss for the period attributable to Equity Shareholders and the weighted average number of Shares outstanding during the period are adjusted for the effect of all dilutive potential Equity Shares.

3.18. Inventories

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

Raw Materials are not written down below cost except in case where their prices have declined subsequently and it is estimated that the cost of the finished goods will exceed their net realizable value.

Raw Materials	On First In First Out (FIFO) basis.
Finished Goods	At Raw material and Conversion cost
Stock-in-Trade	On Weighted Average Cost basis
Stock-in-Process	At Raw Material and Proportionate Conversion Cost
Stores and Spares	On Weighted Average Cost basis

Excise duty on Finished Goods lying at manufacturing location is provided for at the assessable value based on applicable duty.

Customs duty on Raw Materials lying in bonded warehouse is provided for at the applicable rates. Obsolete, Slow Moving, Surplus and Defective Stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

3.19. Provisions, Contingent Liabilities, Contingent Assets and Commitments

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of time value of money is material, provisions are discounted using an appropriate pre-tax discount rate. When discounting is used, the increase in provision due to the passage of time is recognized as a Finance Costs.

Contingent Assets are disclosed in the Financial Statements by way of Notes to Accounts when an inflow of economic benefits is probable.

Contingent Liabilities are disclosed in the Financial Statements by way of Notes to Accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Capital and Other Commitments disclosed are in respect of items which in each case are above the threshold limit.

3.20. Financial Instruments

Financial Assets and Financial Liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

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

3.21. Financial Assets

All recognised Financial Assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the Financial Assets.

(i) Cash and Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be Cash Equivalents. Cash and Cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets at Amortised Cost

Financial Assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to Cash Flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

(iii) Financial Assets at Fair value through Other Comprehensive Income

Financial Assets are measured at fair value through Other Comprehensive Income if these Financial Assets are held within a business whose objective is achieved by both selling Financial Assets and collecting contractual Cash Flows, the contractual terms of the Financial Asset give rise on specified dates to Cash Flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

(iv) Financial Assets at Fair value through Profit or Loss

Financial Assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through Other Comprehensive Income.

After initial measurement, any fair value changes including any interest income, impairment loss and other net gains and losses are recognized in the Statement of Profit and Loss.

(v) Equity Investments :

Equity Investments (Other than Subsidiary, Joint Venture (JV) and Associate):

All Equity Investments in the scope of Ind AS 109 are measured at Fair value. Equity Instruments which are held for trading are classified as at FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrecoverable.

Equity Investments (In subsidiary and JV):
Investment in Subsidiary and JV are accounted for at cost in Standalone Financial Statements.

(vi) Impairment of Financial Assets
The Company assesses at each Balance Sheet date whether a Financial Asset or a group of Financial Assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

(vii) Derecognition of Financial Assets

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

On derecognition of a Financial Asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and

Loss.

3.22. Financial Liabilities and Equity Instruments

3.22.1 Equity Instruments

An Equity Instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received. Incremental costs directly attributable to the issuance of new ordinary equity shares are recognized as a deduction from equity, net of tax effects.

3.22.2 Financial Liabilities

a) Financial Guarantee

When the Company receives Financial Guarantee from its holding company, initially it measures guarantee fees at the fair value. The Company records the initial fair value of fees for Financial Guarantee received as “Deemed Equity” from Holding Company with a corresponding asset recorded as prepaid guarantee charges. Such deemed equity is presented under the head ‘Other Equity’ in the Balance Sheet. Prepaid guarantee charges are recognized in the Statement of Profit and Loss over the period of Financial Guarantee received.

b) Financial Liabilities subsequently measured at Amortised Cost

Financial Liabilities are measured at Amortised Cost at the end of subsequent accounting periods. The carrying amounts of Financial Liabilities that are subsequently measured at amortised cost are determined based on the Effective Interest Rate method (“EIR”). Interest expense that is not capitalised as part of costs of an asset is included in the ‘Finance Costs’ line item.

c) Derecognition of Financial Liabilities

The Company derecognises Financial Liabilities when, and only when, the Company’s obligations are discharged, cancelled or have expired. The difference between the carrying amount of the Financial Liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

3.23. Insurance Claims

In case of total loss of asset, on intimation to the insurer, either the carrying cost of the asset or insurance value (subject to deductible excess) whichever is lower is treated as claims recoverable from insurance company. In case insurance claim is less than the carrying cost of the asset, the difference is charged to Statement of Profit and Loss.

In case of partial or other losses, expenditure incurred / payments made to put such assets back into use, to meet the third party or other liabilities (less deductible excess) if any, are accounted for as claims receivable from insurance company. Insurance Policy deductible excess are expensed in the year in which corresponding expenditure is incurred.

As and when claims are finally received from the insurance company, the difference, if any, between the claim receivable from insurance company and claims received is adjusted to Statement of Profit and Loss.

All other claims and provisions are booked on the merits of each case.

3.24. Investment Property

Investment Properties are properties held to earn rentals and/or for capital appreciation. Investment Properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model. Free hold Land and Properties under construction are not depreciated.

An Investment Property is derecognized upon disposal or when the Investment Property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the Property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Statement of Profit and Loss in the period in which the property is derecognized.

4. Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

Inherent in the application of many of the Accounting Policies used in preparing the Financial Statements is the need for management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Key source of judgments, assumptions and estimation uncertainty in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives of Property, Plant and Equipment, Employee Benefit Obligations, Provision for Income Tax and measurement of Deferred Tax Assets.

4.1. Critical judgments in applying accounting policies

The following are the critical judgements, apart from those involving estimations (Refer note 4.2), that the Management have made in the process of applying the Company’s accounting policies and that have the significant effect on the amounts recognized in the Financial Statements.

(a) Determination of Functional Currency

Currency of the primary economic environment in which the Company operates (“the Functional Currency”) is Indian Rupee (₹) in which the company primarily generates and expends cash. Accordingly, the management has assessed its Functional Currency to be Indian Rupee (₹).

4.2. Assumptions and key sources of estimation uncertainty

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

a) Useful lives of Property, Plant and Equipment and Intangible Assets

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

b) Defined Benefit Obligation (DBO)

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

c) Provision for Income Tax

Significant judgements are involved in determining the provision for Income Taxes, including amount expected to be paid/recovered for uncertain tax positions.

d) Recognition of Deferred Tax Assets

The extent to which Deferred Tax Assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the Deferred Tax Assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties.

e) Impairment of Investment in Subsidiary

As at March 31, 2020, the Company has carrying amount of ₹ 17,426.37 million (As at March 31, 2019: ₹ 14,876.28 million) for equity investment made in ONGC Mangalore Petrochemicals Limited (OMPL). OMPL started its operations in the year 2014-15 as a Greenfield project and had incurred losses in earlier financial years resulting in significant reduction in net worth. However, through improved physical performance and various profitability improvement measures, the Company after overcoming initial period challenges.

The management has considered relevant future cash flows, based on assumptions about the future, discounted to their present value. Impairment testing requires long-term assumptions to be made concerning a number of often volatile economic factors such as future market prices, currency exchange rates and future output and discount rate, in order to establish relevant future cash flows.

Based on the aforesaid assessment, the management has concluded that current diminution in the value of investment is due to losses incurred by OMPL is temporary in nature. Accordingly, no impairment exists as at March 31, 2020.

f) Leases

Identifying whether a Contract includes a Lease

The Company enters into hiring/service arrangements for various assets/services. The Company evaluates whether a contract contains a lease or not, in accordance with the principles of Ind AS 116. This requires significant judgments including but not limited to, whether asset is implicitly identified and substantive substitution rights available with the supplier, decision making rights with respect to how the underlying asset will be used, economic substance of the arrangement, etc.

Determining Lease Term (Including Extension and Termination Options)

The Company considers the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. Assessment of extension/termination options is made on lease by lease basis, on the basis of relevant facts and circumstances. The lease term is reassessed if an option is actually exercised. In case of contracts, where the Company has the option to hire and de-hire the underlying asset on some circumstances (such as operational requirements), the lease term is considered to be initial contract period.

Identifying Lease Payments for Computation of Lease Liability

To identify fixed (including in-substance fixed) lease payments, the Company consider the non-operating day rate/standby as minimum fixed lease payments for the purpose of computation of Lease Liability and corresponding Right of Use Assets.

Low Value Leases

Ind AS 116 requires assessment of whether an underlying asset is of low value, if lessee opts for the option of not to apply the recognition and measurement requirements of Ind AS 116 to leases where the underlying asset is of low value. For the purpose of determining low value, the Company has considered nature of assets and concept of materiality as defined in Ind AS 1 and the conceptual framework of Ind AS which involve significant judgment.

Determining Discount Rate for Computation of Lease Liability

For computation of Lease Liability, Ind AS 116 requires lessee to use their incremental borrowing rate as discount rate if the rate implicit in the lease contract cannot be readily determined.

For leases denominated in Company's Functional Currency, the Company considers the incremental borrowing rate to be Corporate Bond Rates for similar rated Organizations.

5 Property, Plant and Equipment

(All amounts are in ₹ million unless otherwise stated)

Net Carrying Amount	As at March 31, 2020	As at March 31, 2019
Freehold Lands	54.91	17.65
Leasehold Lands [**refer note a below**]	- 271.74	
Buildings	3,733.20	3,851.58
Plant and Equipment [**refer note b below**]	131,994.11	135,378.70
Railway Sidings	1,534.70	-
Furniture and Fixtures	250.09	265.36
Vehicles	24.49	20.66
Office Equipment	28.10	22.21
Total	**137,619.60**	**139,827.90**

Gross Carrying Amount	Freehold Lands	Leasehold Lands	Buildings	Plant and Equipment	Railway Sidings	Furniture and Fixtures	Vehicles	Office Equipment	Total
Balance as at April 1, 2018	**17.65**	**253.46**	**3,878.60**	**156,097.75**	**-**	**372.25**	**27.69**	**30.90**	**160,678.30**
Additions / Reclassification / Transfer	-	18.28	547.34	6,588.65	-	45.73	9.26	11.75	7,221.01
Disposal / Deduction / Reclassification / Transfer to other heads	-	-	-	446.60	-	1.97	8.75	0.74	458.06
Balance as at March 31, 2019	**17.65**	**271.74**	**4,425.94**	**162,239.80**	**-**	**416.01**	**28.20**	**41.91**	**167,441.25**
Additions / Reclassification / Transfer	37.26	-	48.24	4,100.34	1,626.75	32.80	8.73	10.00	5,864.12
Disposal / Deduction / Reclassification / Transfer to other heads	-	271.74	37.26	502.63	-	3.23	0.69	2.50	818.05
Balance as at March 31, 2020	**54.91**	**-**	**4,436.92**	**165,837.51**	**1,626.75**	**445.58**	**36.24**	**49.41**	**172,487.32**

Accumulated depreciation	Freehold Lands	Leasehold Lands	Buildings	Plant and Equipment	Railway Sidings	Furniture and Fixtures	Vehicles	Office Equipment	Total
Balance as at April 1, 2018	**-**	**-**	**445.99**	**19,867.06**	**-**	**88.81**	**10.46**	**14.44**	**20,426.76**
Depreciation	-	-	128.37	7,348.61	-	63.15	4.57	5.96	7,550.66
Disposal / Deduction / Reclassification / Transfer to other heads	-	-	-	354.57	-	1.31	7.49	0.70	364.07
Balance as at March 31, 2019	**-**	**-**	**574.36**	**26,861.10**	**-**	**150.65**	**7.54**	**19.70**	**27,613.35**
Depreciation	-	-	129.36	7,396.65	92.05	47.47	4.77	3.89	7,674.19
Disposal / deduction / Reclassification / Transfer to other heads	-	-	-	414.35	-	2.63	0.56	2.28	419.82
Balance as at March 31, 2020	**-**	**-**	**703.72**	**33,843.40**	**92.05**	**195.49**	**11.75**	**21.31**	**34,867.72**

a During the year the Company has adopted Ind AS 116 ‘Leases’ effective April 1, 2019. This has resulted in reclassification of Leasehold Lands to Right-of-Use assets

b Plant and Equipment include ₹ 39.15 million (As at March 31, 2019 ₹ 39.15 million) being Company’s share of an asset jointly owned with another company.

5.1 Property Plant and Equipment pledged as security [refer note 22]:

External Commercial Borrowings are secured by first pari passu charge over immovable Property, Plant & Equipment and first ranking pari passu charge over movable Property, Plant & Equipment (including but not limited to Plant and Machinery, Spares, Tools, Furniture, Fixture, Vehicles and all other Movable Property, Plant & Equipment) both present and future.

Working capital borrowings from consortium banks are secured by way of first ranking pari passu charge by way of hypothecation of Company's stocks of Raw Material, Finished Goods, Stock-in-Process, Stores, Spares, Components, Trade receivables, outstanding Money Receivables, Claims, Bills, Contract, Engagements, Securities both present and future and further secured by second ranking pari passu charge over companies movable and immovable property (all Property, Plant & Equipment) both present and future.

5.2 Foreign exchange differences capitalised

Additions to Property, Plant and Equipment includes ₹ Nil (For the year ended March 31, 2019 ₹ 1,351.20 million) in relation to foreign exchange differences. Asset class wise addition details are disclosed below:

Year	For the year ended March 31, 2020	For the year ended March 31, 2019
Asset class	**Exchange differences**	**Exchange differences**
Buildings	-	13.97
Plant and Equipment	-	1,337.23
Total	**-**	**1,351.20**

5.3 The Company was eligible for certain economic benefits such as exemptions from entry tax, custom duty etc. on import/local purchase of capital goods in earlier years. The Company had accounted benefits received for custom duty and entry tax on purchase of Property, Plant and Equipment as Government grants. The Company had adjusted the cost of Property, Plant and Equipment as at April 1, 2017 and credited deferred Government grant amounting to ₹ 3,618.21 million. The deferred Government grant is amortised over the remaining useful life of the Property, Plant and Equipment.

6 Right-of-Use Assets

Net Carrying Amount [refer note 6.1 below]	As at March 31, 2020	As at March 31, 2019
Leasehold lands **[refer note 6.2 and 6.3 below]**	2,890.62	-
Buildings	249.60	-
Others (Right of Use of Assets)\	1,460.31	-
Total	**4,600.53**	**-**

Gross Carrying Amount	Leasehold Lands	Buildings	Others (Right of Use of Assets)	Total
Balance as at April 1, 2019	**2,938.93**	**288.05**	**1,481.06**	**4,708.04**
Additions	11.96	-	41.55	53.51
Adjustment for Remeasurement / Completion of Lease Contract	-	-	6.26	6.26
Balance as at March 31, 2020	**2,950.89**	**288.05**	**1,528.87**	**4,767.81**
Accumulated depreciation	**Leasehold Lands**	**Buildings**	**Others (Right of Use of Assets)**	**Total**
Balance as at April 1, 2019	**-**	**-**	**-**	**-**
Additions	60.27	38.45	73.48	172.20
Adjustment for Remeasurement / Completion of Lease Contract	-	-	(4.92)	(4.92)
Balance as at March 31, 2020	**60.27**	**38.45**	**68.56**	**167.28**

6.1 During the year the Company has adopted Indian Accounting Standard (Ind AS) - 116 'Leases' effective from April 1, 2019 using modified retrospective transition method. The Lease Liability and Right-of-Use Assets has been recognized for ₹ 2,156.46 million and ₹ 4,708.04 million respectively (As at March 31, 2019 was ₹ Nil as Ind AS 116 was not applicable during that period) **[refer note 5 (a), 7.1, 15.1 and 15.5]**.

6.2 Includes leasehold lands where the ownership will be transferred to the Company at the end of the lease period. These leasehold lands are not depreciated.

6.3 Right-of-Use Assets includes land amounting to ₹ 1,305.60 million, which is in possession of the Company towards which formal lease deeds are yet to be executed **[refer note 7.1].**

6.4 An amount of ₹ 43.02 million (As at March 31, 2019 ₹ Nil) for depreciation charged to Right-of-Use Asset has been capitalized as component of cost of Capital Work-in-Progress (CWIP) **[refer note 7.4].**

6.5 Application of Indian Accounting Standard (Ind AS) - 116 'Leases' has resulted in net decrease in Profit Before Tax (PBT) by ₹ 45.06 million (Increase in depreciation expenses and finance cost by ₹ 129.18 million and ₹ 68.27 million respectively and decrease in other expenses by ₹ 152.39 million).

7 Capital Work-in-Progress (CWIP)

Particulars	As at March 31, 2020		As at March 31, 2019	
Leasehold land **[refer note 7.1 below]**		-		717.31
Buildings		249.97		184.28
Plant and Equipment		16,057.62		6,766.75
Railway Sidings		-		1,654.53
Computer Software		15.48		27.47
Project expenditure pending allocation :				
Employee Benefits Expense	00.29		281.99	
Finance costs **[refer note 7.2 and 7.3 below]**	21.90		268.53	
Depreciation expense **[refer note 7.4 below]**	43.02		-	
Other expenses	47.74		154.08	
Less: Allocated/ Adjusted during the year	33.98	978.97	29.96	474.64
Total		**17,302.04**		**9,824.98**

7.1 Leasehold land of previous year includes land, which is in possession of the Company towards which formal lease deeds are yet to be executed. The same has been reclassified as Right-of-Use Assets.

7.2 Additions to CWIP includes borrowing costs amounting to ₹ 366.61 million (For the year ended March 31, 2019 ₹ 232.47 million) and allocated / will be allocated to different class of assets. The rate used to determine the amount of borrowing costs eligible for capitalisation was 7.80% (For the year ended March 31, 2019 was 7.69%) which is the effective interest rate on borrowings.

7.3 An amount of ₹ 101.60 million (As at March 31, 2019 ₹ Nil) towards Fina

7.4 An amount of ₹ 43.02 million (As at March 31, 2019 ₹ Nil) towards depreciation charged to Right-of-Use Asset has been capitalized as a component of cost of Capital Work-in-Progress (CWIP).

7.5 Includes loan availed against OIDB, which is secured by way of first ranking pari passu charge by way of hypothecation / mortgage only on Property, Plant & Equipment / projects financed out of loan proceeds of OIDB [**refer note 22.2.2**].

8 Investment Property

Net Carrying amount:	As at March 31, 2020	As at March 31, 2019
Freehold land	77.96	77.96
Total	**77.96**	**77.96**

Gross Carrying Amount	Amount
Balance as at April 1, 2018	**77.96**
Additions	-
Disposal / Deduction/ Reclassification / Transfer to other heads	-
Balance as at March 31, 2019	**77.96**
Additions	-
Disposal / Deduction/ Reclassification / Transfer to other heads	-
Balance as at March 31, 2020	**77.96**

Accumulated depreciation and impairment	Amount
Balance as at April 1, 2018	**-**
Depreciation	-
Disposal / Deduction/ Reclassification / Transfer to other heads	**-**
Balance as at March 31, 2019	**-**
Depreciation	-
Disposal / Deduction/ Reclassification / Transfer to other heads	**-**
Balance as at March 31, 2020	**-**

8.1 Includes land measuring 102.31 acres is held for capital appreciation.

8.2 There is no contractual obligation to purchase, construct or develop investment property.

8.3 The net amount recognised in the Statement of Profit and Loss for investment property for current year is ₹ Nil (Year ended March 31, 2019 ₹ Nil).

8.4 No Right-of-Use Asset has been included in the investment property as given above.

8.5 The best evidence of fair value is current prices in an active market for similar properties.

8.6 The Company has considered the fair value of the freehold land amounting to ₹ 255.80 million as at March 31, 2020 (as at March 31, 2019 ₹ 255.80 million) based on the valuation carried out by independent valuer report dated April 30, 2018. Taking the present condition due to COVID-19 the fair valuation of the Investment property couldn't be carried out and the management is of the opinion that the fair value considered on April 30, 2018 will be considered for March 31, 2020.

9 Goodwill

Particulars	Amount
Balance as at April 1, 2018	**4.04**
Impairment	**-**
Balance as at March 31, 2019	**4.04**
Impairment	**-**
Balance as at March 31, 2020	**4.04**

9.1 Goodwill represents excess of consideration paid over net assets acquired for acquisition of nitrogen plant.

10 Other Intangible Assets

Net Carrying Amount	As at March 31, 2020	As at March 31, 2019
Computer Software	53.60	51.69
License and Franchise	36.85	-
Total	**90.45**	**51.69**

Gross Carrying Amount	Computer Software	License and Franchise	Total
Balance as at April 1, 2018	**68.45**	**-**	**68.45**
Additions	18.99	-	18.99
Disposal / Deduction / Reclassi?cation / Transfer to other heads	-	-	-
Balance as at March 31, 2019	**87.44**	**-**	**87.44**
Additions	17.94	49.53	67.47
Disposal / Deduction / Reclassi?cation / Transfer to other heads	-	-	-
Balance as at March 31, 2020	**105.38**	**49.53**	**154.91**

Accumulated amortisation	Computer Software	License and Franchise	Total
Balance as at April 1, 2018	**18.89**	**-**	**18.89**
Amortisation	16.86	-	16.86
Disposal / Deduction / Reclassi?cation / Transfer to other heads	-	-	-
Balance as at March 31, 2019	**35.75**	**-**	**35.75**
Amortisation	16.03	12.68	28.71
Disposal / Deduction / Reclassi?cation / Transfer to other heads	-	-	-
Balance as at March 31, 2020	**51.78**	**12.68**	**64.46**

10.1 There are no internally generated intangible assets.

11 Investments

11.1 Investments in Equity Instruments

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number in million	Amount	Number in million	Amount
Unquoted Investments (all fully paid up)				
(i) Investment in Subsidiary				
ONGC Mangalore Petrochemicals Limited (at cost) (Face value of ₹ 10 per share) **[refer note 11.1.2 below]**	1,297.63	17,426.37	1,085.13	14,876.28
(ii) Investment in Joint Venture				
Shell MRPL Aviation Fuels and Services Limited (at cost) (Face value of ₹ 10 per share)	15.00	150.00	15.00	150.00
(iii) Investment: Other				
Mangalam Retail Services Limited (at fair value) (Face value of ₹ 10 per share)	0.02	0.19	0.02	0.19
Total		**17,576.56**		**15,026.47**

Aggregate carrying value of unquoted investments	17,576.56	15,026.47
Aggregate amount of impairment in value of investments	-	-

11.1.1 Restrictions on disinvestment of share in ONGC Mangalore Petrochemicals Limited are subject to the approval of the Board of Oil and Natural Gas Corporation Limited.

11.1.2 The Company has entered into an arrangement for backstopping support towards repayment of principal and cumulative coupon amount for three years Compulsorily Convertible Debentures (CCD) amounting to ₹ 5,100 million (As at March 31,2019 ₹ Nil) issued by subsidiary Company "ONGC Mangalore Petrochemicals Limited (OMPL)" and outstanding interest for the year ended March 31, 2020 amounting to ₹ Nil (As at March 31, 2019 ₹ Nil).

11.1.3 Details of Subsidiary

Name of Subsidiary	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest/ voting rights held by the Company	
			As at March 31, 2020	As at March 31, 2019
ONGC Mangalore Petrochemicals Limited	Petrochemicals	India	51.00%	51.00%

Refer Note 3.4 for method followed for accounting of investment in subsidiary

11.1.4 Details of Joint Venture

Name of Subsidiary	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest/ voting rights held by the Company	
			As at March 31, 2020	As at March 31, 2019
Shell MRPL Aviation Fuels and Services Limited	Trading of aviation fuels	India	50.00%	50.00%

Refer Note 3.4 for method followed for accounting of investment in joint venture.

11.1.5 Details of Investment: Other

Name of Subsidiary	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest/ voting rights held by the Company	
			As at March 31, 2020	As at March 31, 2019
Mangalam Retail Services Limited (MRSL)	Distribution of petroleum products through retail outlet and transport terminal	India	18.98%	18.98%

The investment in MRSL has been measured at fair value through profit or loss. The management has considered the fair value (level 3 hierarchy) of such investment equivalent to the carrying amount as at reporting period.

12 Loans

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
(a) Security Deposits				
(Unsecured, considered good)				
With related Party	12.68	-	12.68	-
With vendors	145.76	4.51	143.59	3.81
	158.44	**4.51**	**156.27**	**3.81**
(b) Loans to employees				
Secured, considered good	948.11	121.53 7	70.33	96.47
Unsecured, considered good		6.91		11.21
Credit impaired				
- Loans which are credit impaired	-	0.69	-	0.81
Less: Impairment for doubtful loans	-	0.69	-	0.81
	948.11	**128.44**	**770.33**	**107.68**
(c) Loans to directors and other officers	**0.58**	**0.09**	**0.67**	**0.15**
(Secured, considered good)				
(d) Loans to Customers	**1.59**	**0.15**	**-**	**-**
(Secured, considered good)				
[refer note 12.1 below]				
Total	**1,108.72**	**133.19**	**927.27**	**111.64**

12.1 Company has policy of providing financial assistance to Schedule Caste / Schedule Tribe category dealers for Retail Outlets under the Corpus Fund Scheme (CFS). Under this scheme upon written request seeking working capital loan / assistance by dealer, the company provides working capital loan for a full cycle of operation (equivalent to seven days sales volume) of the dealer. This working capital loan as well as the interest at the specified rate thereon will be recovered in hundred equal monthly installments from the thirteenth month of commissioning of the dealer operated Retail Outlet.

13 Other Financial Assets

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Secured, considered good unless otherwise stated)				
(a) Interest accrued on loans to employee /directors/ other officers	**198.57**	**3.04**	**135.04**	**1.72**
(b) Interest accrued but not due on Others				
Secured, considered good	-	1.84	-	1.48
Unsecured, considered good	-	-		2.38
	-	**1.84**	**-**	**3.86**
(c) Bills Receivable (Unsecured, considered good) **[refer note 13.1 below]**	**-**	**6,324.45**	**-**	**-**
Total	**198.57**	**6,329.33**	**135.04**	**5.58**

13.1 Represents unsecured bill discounting facility from State Bank of India against Non LC bill drawn on Subsidiary Company "ONGC Mangalore Petrochemicals Limited" (OMPL) [**refer note 17.7**].

14 Tax Assets/ (Liabilities) [Net]

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Tax assets (Advance tax)	10,019.29	3,067.09	54,059.25	2,745.34
Less: Provision for current tax liabilities	8,382.75	1,084.76	52,059.98	1,221.58
Net tax assets / (liabilities) (a)	**1,636.54**	**1,982.33**	**1,999.27**	**1,523.76**
Income tax paid under dispute (b)	**-**	**-**	**307.24**	**-**
Total (a+b)	**1,636.54**	**1,982.33**	**2,306.51**	**1,523.76**

14.1 The Company has opted to settle Income Tax Disputes under the Direct Tax Vivad Se Vishwas Act, 2020, and accordingly, a sum of ₹ 1,084.76 million payable under the said scheme has been charged as prior year tax in the Statement of Profit and Loss during the current year. Pursuant to this, the tax assets and liabilities have been reclassified for the year ended March 31, 2020. The tax assets of ₹ 2,908.37 million and liabilities of ₹ 1,084.76 million of assessment years for which the Company has exercised the option have been considered as current tax assets and current tax liabilities respectively, as the same are expected to be settled within a year.

14.2 The Taxation Laws (Amendment) Act, 2019 has inserted a new section 115BAA in the Income Tax Act, 1961, which gives domestic companies a non-reversible option to pay corporate tax at reduced rate, subject to certain conditions. Such option can be exercised for the financial year 2019-20 or any subsequent financial year. The financial statements of the Company for the year ended March 31, 2020 have been prepared considering the old corporate tax rate. However, the option for the new lower tax rate for the financial year 2019-20 can be exercised by the Company on or before the due date for filing of the return of income.

15 Other Assets

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
(Unsecured, considered good unless otherwise stated)				
(a) Capital advances to others				
Secured, considered good	1,061.34	-	10.10	-
Unsecured, considered good **[refer note 15.1 below]**	7,063.29	-	7,709.68	-
	8,124.63	**-**	**7,719.78**	-
(b) Deposits with Government Authorities [refer note 15.2, 15.3 and 15.4 below]	**378.73**	**2,471.87**	**2,503.98**	**356.48**
(c) Advance recoverable in kind				
From Related Parties	-	1.87	-	118.06
From Others	-	295.11	-	1,140.02
-	**296.98**	**-**	**1,258.08**	
(d) Balance with Government Authorities	**-**	**796.34**	**-**	**2,023.02**
(e) Prepayments [refer note 15.5 below]				
Leasehold land	-	-	6.57	0.08
Guarantee charges	-	-	-	-
Others	217.90	81.56	1,477.81	394.08
	217.90	**81.56**	**1,484.38**	**394.16**
(f) Gold coins	**-**	**0.91**	**-**	**0.91**
(g) Stock on Returnable Basis	**-**	41.39	**-**	181.68
Less: Impairment for Stock	**-**	41.39	**-**	41.39
	-	**-**	**-**	**140.29**
Total	**8,721.26**	**3,647.66**	**11,708.14**	**4,172.94**

15.1 An amount of ₹ 223.65 million paid during previous years as Capital Advance has now been reclassified as Right-of-Use Assets as the Company has adopted Ind AS 116 "Leases" effective April 1, 2019.

15.2 Includes amounts paid under protest.

15.3 Includes ₹ 2,125.25 million relating to appeal in the matter of classification of Reformate import pending before Hon'ble CESTAT wherein application for early out of turn hearing in the matter is also admitted by Hon'ble CESTAT during the year. The Company has considered it as current, as the same is expected to be settled within a year.

15.4 Includes ₹ 2.31 million pre-deposit relating to Central Excise and Service Tax matters in appeal and submitted for closure under the "Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019" announced under "Finance Act 2019" which was effected from 1st September 2019 to 15th January 2020. Out of which ₹ 2.07 million had already been provided as liability and will be set-off against the pre- deposit, when the same will be approved by the Designated Authorities and discharge certificate is issued for the same as per the scheme. The balance ₹ 0.24 million (shown as contingent liability) will be charged to Statement of Profit and Loss once the matters submitted for closure are approved by the Designated Authorities and discharge certificate is issued for the same as per the scheme.

15.5 An amount of ₹ 1,338.78 million classified under Prepayments in previous year has now been reclassified as Right-of-Use Assets as the Company has adopted Ind AS 116 "Leases" effective April 1, 2019.

16 Inventories

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Raw materials				
(a) On hand	8,087.66		15,698.90	
(b) In transit	6,845.88	**14,933.54**	6,640.34	**22,339.24**
Stock-in-process		**5,000.57**		**9,695.17**
Finished goods	11,790.39		20,569.99	
Less: Provision for stock loss	5.91	**11,784.48**	5.91	**20,564.08**
Stock in Trade- Lube Oil		**0.07**		**0.12**
Stores and spares				
(a) On hand	7,188.02		5,491.74	
(b) In transit	83.53		100.57	
Less : Provision for slow/ non-moving inventories	90.46	**7,181.09**	80.56	**5,511.75**
Total		**38,899.75**		**58,110.36**

16.1 The cost of inventories (cost of sales) recognised as an expense during the year is ₹ 532,615.95 million (For the year ended March 31, 2019 ₹ 603,544.13 million).

16.2 The cost of inventories (Finished goods) recognized as an expense includes ₹ 8,888.64 million (Previous Year ₹ 84.46 million) in respect of write down of inventories to net realisable value. There has been no reversal of such write down in current year and previous year. The outbreak of COVID-19 Pandemic globally and the nationwide lockdown from March 25, 2020 along with other normal factors has resulted in a steep fall in Crude prices and lower product margins for the petroleum products and consequently the Company inventories held were written down to their net realisable value.

16.3 The method of valuation of inventories has been stated in **Note 3.18.**

17 Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Secured **[refer note 17.4 below]**		
- Considered good	243.54	175.11
Unsecured		
- Considered good	10,179.15	23,047.85
Credit impaired		
- Receivable which are credit impaired	1,126.01	969.60
Less: Impairment for doubtful receivables	1,126.01	969.60
Total	**10,422.69**	**23,222.96**

17.1 Generally, the Company enters into long-term sales arrangement with Oil Marketing Companies for domestic sales besides export of products through term contracts and spot international tenders and supplies to SEZ customers. The average credit period on sales ranges from 7 to 45 days (Year ended March 31, 2019 ranges from 7 to 45 days). Interest is not charged on trade receivables for the applicable credit period from the date of invoice. For delayed period of payments, interest is charged as per respective arrangements, which is upto 2% per annum (Year ended March 31, 2019 upto 3% per annum) over the applicable bank rate on the outstanding balance.

17.2 Of the trade receivables, balance as at March 31, 2020 of ₹ 9,492.84 million (As at March 31, 2019 ₹ 22,636.86 million) are due from the customers mentioned below. There are no other customers who represent more than 5% of the total balance of trade receivables other than mentioned below.

Particulars	As at March 31, 2020	As at March 31, 2019
Customer 1	956.80	7,327.99
Customer 2	5,809.64	7,220.53
Customer 3	1,103.79	2,464.87
Customer 4	943.45	2,491.45
Customer 5	-	1,811.48
Customer 6	-	1,313.62
Customer 7	679.16	6.92
Total	**9,492.84**	**22,636.86**

Note: Major customers identity are not disclosed on account of market confidentiality

17.3 Usually, the Company collects all receivables from its customers within the applicable credit period. The Company assesses impairment on trade receivables from all the customers on facts and circumstances relevant to each transaction.

17.4 Secured by bank guarantees received from customers.

17.5 The Company has concentration of credit risk due to the fact that the Company has significant receivables from customers mentioned in **note 17.2,** however these customers are reputed and creditworthy.

17.6 There are no outstanding receivables due from directors or other officers of the Company.

17.7 Trade Receivables are netted with Bill Discounting of ₹ 6,324.45 million (As at March 31, 2019 ₹ Nil).

17.8 Age of Trade Receivables:

Particulars	As at March 31, 2020	As at March 31, 2019
Within the credit period	9,799.55	22,815.56
1-30 days past due	375.62	130.15
31-90 days past due	228.40	117.16
More than 90 days past due	1,145.13	1,129.69
Total	**11,548.70**	**24,192.56**

17.9 Movement of Impairment for doubtful receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of the year	969.60	973.61
Additions/ (Deletion) in expected credit loss allowance	158.41	14.27
Less: Write back during the year	2.00	18.28
Less: Reclassification/ Other adjustments	-	-
Balance at end of the year	**1,126.01**	**969.60**

18 Cash and Cash Equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks	15.62	20.76
Cash on hand	2.18	5.15
Total	**17.80**	**25.91**

19 Other Bank Balances

Particulars	As at March 31, 2020	As at March 31, 2019
Other bank deposits under lien	0.09	4,578.40
Unclaimed interest on debentures account **[refer note 19.1 below]**	0.01	0.01
Unclaimed dividend account **[refer note 19.2 below]**	249.79	259.96
Restricted bank balance for employee benevolent fund	12.26	11.07
Total	**262.15**	**4,849.44**

19.1 Amount deposited in the unclaimed interest on debentures account is earmarked for payment of interest and cannot be used for any other purpose.

19.2 Amount deposited in the unclaimed dividend account is earmarked for payment of dividend and cannot be used for any other purpose.

20 Equity Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised share capital: 2,900,000,000 Equity shares of ₹ 10 each (as at March 31, 2019: 2,900,000,000 Equity shares of ₹10 each)	**29,000.00**	**29,000.00**
100,000,000 Redeemable Preference shares of ₹10 each (as at March 31, 2019: 100,000,000 Preference shares of ₹10 each)	**1,000.00**	**1,000.00**
Issued and Subscribed: 1,752,598,777 Equity shares of ₹10 each (as at March 31, 2019: 1,752,598,777 Equity shares of ₹10 each)	**17,525.99**	**17,525.99**
Fully paid equity shares: 1,752,598,777 Equity shares of ₹10 each (as at March 31, 2019: 1,752,598,777 Equity shares of ₹10 each)	17,525.99	17,525.99
Add: Shares forfeited **[refer note 20.5 below]**	0.65	0.65
Total	**17,526.64**	**17,526.64**

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

Particulars	Number of shares in million	Share capital
Balance as at April 1, 2018	**1,752.60**	**17,525.99**
Changes during the year	-	-
Outstanding as at March 31, 2019	**1,752.60**	**17,525.99**
Changes during the year	-	-
Outstanding as at March 31, 2020	**1,752.60**	**17,525.99**

20.1 Terms/rights attached to Equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

20.2 Details of Equity shares held by the holding company or its subsidiaries or its associates are as under:-

Name of equity share holders	As at March 31, 2020		As at March 31, 2019	
	Number in million	% holding	Number in million	% holding
Oil and Natural Gas Corporation Limited	1,255.35	71.63	1,255.35	71.63
Hindustan Petroleum Corporation Limited	297.15	16.96	297.15	16.96

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

Name of equity share holders	As at March 31, 2020		As at March 31, 2019	
	Number in million	% holding	Number in million	% holding
Oil and Natural Gas Corporation Limited	1,255.35	71.63	1,255.35	71.63
Hindustan Petroleum Corporation Limited	297.15	16.96	297.15	16.96

20.4 Equity shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment: Nil (As at March 31, 2019: Nil).

20.5 Equity shares of ₹ 10 each (equivalent to 303,550 equity shares of ₹ 10 each) were forfeited in the year 2009-10 against which amount originally paid up was ₹ 654,000.

21 Other Equity

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Deemed equity **[refer note 3.22.2 (a)]**	42.17	42.17
(b) Reserves and surplus		
(i) Capital redemption reserve	91.86	91.86
(ii) Securities premium	3,490.53	3,490.53
(iii) General reserve	1,192.00	1,192.00
(iv) Retained earnings	55,652.09	84,927.09
Total	**60,468.65**	**89,743.65**

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Deemed equity [refer note 21.1 below]		
Balance at beginning of the year	42.17	38.40
Addition during the year	-	3.77
Balance at end of the year	**42.17**	**42.17**
(b) Reserves and Surplus		
i) Capital redemption reserve [refer note 21.2 below]		
Balance at beginning of the year	91.86	91.86
Transfer during the year	-	-
Balance at end of the year	**91.86**	**91.86**
(ii) Securities premium [refer note 21.3 below]		
Balance at beginning of the year	3,490.53	3,490.53

Particulars	As at March 31, 2020	As at March 31, 2019
Transfer during the year	-	-
Balance at end of the year	**3,490.53**	**3,490.53**
(iii) General reserve [refer note 21.4 below]		
Balance at beginning of the year	1,192.00	1,192.00
Transfer from retained earnings	-	-
Balance at end of the year	**1,192.00**	**1,192.00**
(iv) Retained earnings		
Balance at beginning of the year	84,927.09	87,991.30
Profit / (Loss) after tax for the year	(27,076.42)	3,319.56
Other comprehensive income for the year, net of income tax	(85.73)	(45.21)
Payment of Dividends	(1,752.60)	(5,257.80)
Tax on Dividends	(360.25)	(1,080.76)
Balance at end of the year	**55,652.09**	**84,927.09**

21.1 The amount of ₹ 42.17 million (As at March 31, 2019 ₹ 42.17 million) shown as deemed equity denotes the fair value of fees towards financial guarantee received from Oil and Natural Gas Corporation Limited without any consideration.

21.2 The Company created capital redemption reserve on redemption of preference share capital during the financial years 2011-12 and 2012-13.

21.3 The Company created securities premium on issue of equity share capital and the same can be utilized as per the requirement of the Companies Act, 2013.

21.4 The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to Statement of Profit and Loss.

21.5 The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013 and the dividend distribution policy of the Company. Thus, the amount reported in general reserves are not entirely distributable.

22 Borrowings

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Secured – at amortised cost **Term Loans:-**				
From banks External Commercial Borrowings (ECB) **[refer note 22.1 below]**	18,822.77	-	24,092.40	-
From others Oil Industry Development Board (OIDB) **[refer note 22.2 below]**	4,720.00	-	2,680.00	-
Deferred Payment Liabilities:- Deferred Payment Liabilities - VAT Loan **[refer note 22.3 below]**	360.78	-	225.56	-
Working capital loan from banks **[refer note 22.4 below]**	2,470.32	-	3,071.58	

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Unsecured – at amortised cost				
Debentures :-				
Non Convertible Debentures (NCD) **[refer note 22.5 below]**	25,586.59	-	-	-
Term loan :-				
From Banks				
Rupee Term Loan from bank **[refer note 22.6 below]**	-	-	5,142.50	-
Working capital loan from banks				
External Commercial Borrowings (ECB): Working Capital **[refer note 22.7 below]**		0,025.03	-	68.52
Foreign Currency Term Loan (FCTL) **[refer note 22.8 below]**	-	11,866.06	-	17,290.00
Buyers Credit and Pre/Post Shipment Export Credit **[refer note 22.9 below]**	-	-	-	24,206.00
Bills Discounting Facility : SBI **[refer note 22.10 below]**	-	6,324.45	-	-
Other Working Capital Loan **[refer note 22.11 below]**	-	3,700.00	-	-
Working capital loan from Others				
Commercial Paper **[refer note 22.12 below]**	-	-	-	4,000.00
Total	**79,515.17**	**24,360.83**	**32,208.98**	**48,567.58**

22.1 External Commercial Borrowings (ECB) :

22.1.1 External Commerical Borrowings taken by the Company are USD denominated loans and carries variable rate of interest which is six month Libor plus spread (Interest rate as at March 31, 2020 is 2.90% and interest rate as at March 31, 2019 was 3.86%).

22.1.2 External Commercial Borrowings are secured by first pari passu charge over immovable Property, Plant & Equipment and first ranking pari passu charge over movable Property, Plant & Equipment (including but not limited to Plant and Machinery, Spares, Tools, Furniture, Fixture, Vehicles and all other Movable Property, Plant & Equipment) both present and future.

22.1.3 ₹ 7,558.00 million (As at March 31, 2019 of ₹ Nil) is repayable within one year and the same has been shown as "Current maturities of long term debts (secured)" under **Note 23.**

22.1.4 Repayment schedule of ECB is as follows:

Year of repayment [refer note 22.13 below]	As at March 31, 2020	As at March 31, 2019
2020-21	7,558.00	6,916.00
2021-22	7,558.00	6,916.00
2022-23	7,558.00	6,916.00
2023-24	3,77 9.00	3,458.00
Total	**26,453.00**	**24,206.00**

22.2 Loan from Oil Industry Development Board (OIDB) :

22.2.1 Loan from OIDB taken by the Company carries fixed rate of interest (Interest rate as at March 31, 2020 for ₹ 2,680.00 million (7.98%), ₹ 1,840.00 million (7.00%), ₹ 150.00 million (7.50%), ₹ 450.00 million (7.11%) and ₹ 270.00 million (7.03%) and interest rate as at March 31, 2019 was 7.98%).

22.2.2 OIDB loan is secured by way of first ranking pari passu charge by way of hypothecation / mortgage only on Property, Plant & Equipment / projects financed out of loan proceeds of OIDB.

22.2.3 ₹ 670.00 million (As at March 31, 2019 of ₹ Nil) is repayable within one year and the same has been shown as "Current maturities of long term debts" (secured)" under **Note 23**.

22.2.4 Repayment schedule of loan from OIDB is as follows:

Year of repayment [refer note 22.13 below]	As at March 31, 2020	As at March 31, 2019
2020-21	670.00	670.00
2021-22	1,347.50	670.00
2022-23	1,347.50	670.00
2023-24	,347.50	670.00
2024-25	677.50	-
Total	**5,390.00**	**2,680.00**

22.3 Deferred payment liabilities - VAT Loan :

22.3.1 Deferred payment liability against VAT Loan represents amounts payable on account of "Interest free loan" received from Government of Karnataka. This interest free loan against VAT will be repayable from March 31, 2028.

22.3.2 The benefit of a Government loan at a below-market rate of interest is treated as a government grant (Ind AS 20). The Interest free loan is recognised and measured in accordance with Ind AS 109, Financial Instruments. The benefit of the Interest free loan is measured as the difference between the initial carrying value of the loan determined in accordance with Ind AS 109, and the proceeds received. The benefit is accounted for in accordance with this Standard.

22.3.3 Deferred payment liabilities - VAT Loan are secured by bank guarantees given by the company.

22.3.4 Repayment schedule of Deferred payment liability- VAT loan is as follows:

Year of repayment [refer note 22.13 below]	As at March 31, 2020	As at March 31, 2019
2027-28	132.61	132.61
2028-29	155.16	155.16
2029-30	197.76	197.76
2030-31	208.53	107.51
2031-32	322.83	-
Total	**1,016.89**	**593.04**

22.4 Working capital loan from Banks

22.4.1 Working capital borrowings from consortium banks are secured by way of first ranking pari passu charge by way of hypothecation of Company's stocks of Raw Material, Finished Goods, Stock-in-Process, Stores, Spares, Components, Trade receivables, outstanding Money Receivables, Claims, Bills, Contract, Engagements, Securities both present and future and further secured by second ranking pari passu charge over companies movable and immovable property (all Property, Plant & Equipment) both present and future. Working capital borrowings from banks in the form of overdraft facility against fixed deposits are secured by way of hypothecation on original fixed deposits.

22.5 Debentures :

Unsecured Redeemable Non-Convertible Fixed Rate Debentures (Privately Placed) :

Sl. No.	ISIN	Face Value Per Debenture (₹)	Date of Allotment	As at 31-03-2020	Coupon Rate	Maturity [refer note 22.13 below]	
						Amount	Date
1	INE103A08019	10,00,000	13-Jan-20	9,997.05	7.40%	10,000.00	12-Apr-30
2	INE103A08035	10,00,000	29-Jan-20	10,591.00	7.75%	10,600.00	29-Jan-30
3	INE103A08027	10,00,000	13-Jan-20	4,998.54	6.64%	5,000.00	14-Apr-23
	Total			**25,586.59**		**25,600.00**	

22.6 Rupee term loan from bank :

22.6.1 Term loan from SBI taken by the Company carries variable rate of interest which is three months MCLR plus spread (Interest rate as at March 31, 2020 is 7.84% and as at March 31, 2019 was 8.39%).

22.6.2 ₹ 6,856.72 million (As at March 31, 2019 of ₹ 6,857.20 million) is repayable within one year and the same has been shown as "Current maturities of long-term debts (unsecured)" under **Note 23.**

22.6.3 Reserve Bank of India (RBI) announced a number of relief measures under the COVID-19 – Regulatory Package for Indusry at large vide its Press Release RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020. This circular Inter-alia provides relief and to mitigate the burden of Debt Installments including Interest falling due during the relief period from March 1, 2020 to May 31, 2020 (90 Days) for all term loans to the specified borrowers. Circular provides relief by way of extention across the board to all the specified borrowers by extending repayment of term loan instalments (includes interest) by 90 days. Interest shall continue to accrue on the outstanding portion of the term loans during the moratorium period. As per this Circular, the Company has availed facility of deferment of Loan Installment along with accured interest thereon falling due on March 31, 2020 amounting to ₹ 1,714.30 million and ₹ 45.66 million respectively.

22.6.4 Repayment schedule of Term Loan from SBI is as follows:

Year of repayment [refer note 22.13 below]	As at March 31, 2020	As at March 31, 2019
2019-20	-	6,857.20
2020-21	6,856.72	5,142.50
Total	**6,856.72**	**11,999.70**

22.7 Working capital Term Loan from Banks - ECB :

22.7.1 External Commercial Borrowing taken by the Company are USD denominated loans and carries variable rate of interest which is six month Libor plus spread (Interest rate as at March 31, 2020 is 2.37% and as at March 31, 2019 was 3.96%).

22.7.2 Repayment schedule of Working Capital loan ECB is as follows:

Year of repayment [refer note 22.13 below]	As at March 31, 2020	As at March 31, 2019
2023-24	75.58	69.16
2024-25	30,156.42	-
Total	**30,232.00**	**69.16**

22.8 Foreign currency Term loan (FCTL) :

22.8.1 Foreign Currency Term Loan from bank are USD denominated loans and carries variable rate of interest which is three month Libor plus spread and is repayable within one year from the date of each disbursement.

22.9 Buyers Credit & Pre/Post Shipment Export Credit :

22.9.1 Buyers Credit and Pre/Post Shipment Export Credit from banks are USD denominated loans carries variable rate of interest which is one month Libor plus spread and is repayable within two months/ one months from the date of each disbursement.

22.10 Bill Discounting Facility :

22.10.1 Unsecured Bill discounting facility from State Bank of India (SBI) against Non LC bill drawn on Subsidiary Company "ONGC Mangalore Petrochemicals Limited" (OMPL).

22.11 Other Working Capital Loan :

22.11.1 Unsecured short term working capital loan from bank

22.12 Commercial Paper

22.12.1 The Commercial paper issued is unsecured fixed rate short term debt instrument with tenure of 90 days.

22.13 The repayment schedules disclosed above are based on contractual cash outflows and hence will not reconcile to carrying amounts of such borrowings which are accounted at amortised cost.

23 Other Financial Liabilities

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Current maturities of long term debt (Secured) **[refer note 22.1.3 and 22.2.3]**	-	8,228.00	-	-
Current maturities of long term debt (Unsecured) **[refer note 22.6.2]**	-	6,856.72	-	10,533.83
Unclaimed dividends **[refer note 23.1 below]**	-	249.79	-	259.98
Unclaimed interest on matured debentures **[refer note 23.2 below]**	-	0.01	-	0.01
Interest accrued but not due [**refer note 22.6.3**]	-	630.16	-	436.57
Deposits from suppliers/ contractors/ others	-	513.40	-	475.35
Payable against capital goods **[refer note 23.3 below]**	-	3,115.44	-	2,074.20
Liability for employees	-	882.73	-	781.19
Lease Liability	1,868.65	259.40	-	-
Other liabilities relating to customers and vendors	-	1,782.38	-	1,162.58
Total	**1,868.65**	**22,518.03**	**-**	**15,723.71**

23.1 No amount is due for payment to the Investor Education Protection Fund.

23.2 Represents interest payable towards matured debentures.

23.3 Price reduction schedule

Payable against capital goods includes ₹ 234.90 million (As at March 31, 2019 ₹ 259.15 million) relating to amounts withheld from vendors pursuant to price reduction schedule which will be settled on finalisation of proceedings with such vendors. When the withheld amounts are ultimately finalised, the related adjustment is made to the Property, Plant and Equipment prospectively.

24 Provisions

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Provision for employee benefits [refer note 41]				
(a) Leave encashment	838.62	75.06	591.97	47.01
(b) Post retirement medical and other benefits	108.85	3.45	89.76	2.95
Others **[refer note 24.1 below]**	-	1,734.53	-	4,531.29
Total	**47.47**	**1,813.04**	**681.73**	**4,581.25**

24.1 Others include provision for Excise duty on closing stock Movement for the year 2019-20

Particulars	Excise duty on closing stock
Opening Balance as at April 1, 2019	4,531.29
Less: Reduction on account of provision reversal	4,531.29
Add: Additions during the year	1,734.53
Closing Balance as at March 31, 2020	1,734.53

The Company estimates provision based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on March 31, 2020 ₹ 1,734.53 million (As at March 31, 2019 ₹ 4,531.29 million) and has included it in other provision. This provision is expected to be settled when the goods are removed from the factory premises.

25 Deferred Tax Asset/ (Liabilities) (Net)

Statement showing the movement in Deferred Tax Assets/ (Liabilities):

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Assets	32,303.26	17,553.19
Deferred Tax Liabilities	(28,844.80)	(27,708.63)
Deferred Tax Asset/ (Liability) -Net	**3,458.46**	**(10,155.44)**

2019-20	Opening balance	Recognised in Profit or Loss	MAT credit entitlement related to previous year	Recognised in Other Comprehensive Income	Closing balance
Deferred Tax Liabilities in relation to					
Property, Plant and Equipment	(27,698.36)	(1,133.99)	-	-	(28,832.35)
Intangible Assets	(10.27)	(2.18)	-	-	(12.45)
Total	**(27,708.63)**	**(1,136.17)**	**-**	**-**	**(28,844.80)**
Tax effect of items constituting Deferred Tax Assets					
Other Liabilities	1.40	-	-	-	1.40
Brought forward business losses and unabsorbed depreciation	-	14,670.03	-	-	14,670.03
MAT credit entitlement	17,189.15	-	52.63	-	17,241.78
Right of Use Assets net of Lease Liability	-	27.45	-	-	27.45
Financial and Other Assets	340.51	(0.04)	-	-	340.47
Inventories	22.13	-	-	-	22.13
Remeasurement of the Defined Benefit Plans	-	(46.05)	-	46.05	-
Total	**17,553.19**	**14,651.39**	**52.63**	**46.05**	**32,303.26**
Deferred Tax Asset / (Liability) (Net)	**(10,155.44)**	**13,515.22**	**52.63**	**46.05**	**3,458.46**

2018-19	Opening balance	Recognised in Profit or Loss	MAT credit entitlement related to previous year	Recognised in Other Comprehensive Income	Closing balance
Deferred Tax Liabilities in relation to					
Property, Plant and Equipment	(25,982.79)	(1,715.57)	-	-	(27,698.36)
Intangible Assets	(2.96)	(7.31)	-	-	(10.27)
Total	**(25,985.75)**	**(1,722.88)**	**-**	**-**	**(27,708.63)**
Tax effect of items constituting Deferred Tax Assets					
Other Liabilities	1.40	-	-	-	1.40
Brought forward business losses and unabsorbed depreciation	-	-	-	-	-
MAT credit entitlement	16,558.22	616.19	14.74	-	17,189.15
Financial and Other Assets	340.51	-	-	-	340.51
Inventories	23.92	(1.79)	-	-	22.13
Remeasurement of the Defined Benefit Plans	-	(24.28)	-	24.28	-
Total	**16,924.05**	**590.12**	**14.74**	**24.28**	**17,553.19**
Deferred tax asset / (liability) (net)	**(9,061.70)**	**(1,132.76)**	**14.74**	**24.28**	**(10,155.44)**

26 Trade Payables

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises	336.00	227.48
Total outstanding dues of creditors other than micro enterprises and small enterprises	32,375.17	46,522.88
Total	**32,711.17**	**46,750.36**

26.1 Trade payables include ₹ 10,268.07 million (As at March 31, 2019 of ₹ 9,139.87 million) for which ONGC has given guarantees on behalf of the Company.

26.2 The average credit period on purchases of crude, stores and spares, other raw material, services, etc. ranges from 14 to 60 days (Year ended March 31, 2019 ranges from 14 to 60 days). Thereafter, interest is charged upto 6.75% per annum (Year ended March 31, 2019 upto 6.75% per annum) over the relevant bank rate as per respective arrangements on the outstanding balances. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

26.3 Disclosure relating to dues to Micro, Small and Medium Enterprises

	Particulars	As at March 31, 2020	As at March 31, 2019
i.	The principal amount and the interest dues thereon (to be shown separately) remaining unpaid to any supplier at the end of the year	-	-
ii.	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii.	The amount of interest dues and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv.	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v.	The amount of further interest remaining dues and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

27 Other Liabilities

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Revenue received in advance	-	1.16		1.29
Liability for gratuity	-	151.16	-	85.61
[refer note 27.1 below]				
Liability for statutory payments		1,282.90	-	1,745.21
[refer note 15.4]	-		-	
Others		7,132.02		477.57
Deferred Government Grant	3,596.15	196.59		181.46
[refer note 5.3 & 22.3.2]			3,482.11	
Total	**3,596.15**	**8,763.83**	**3,482.11**	**2,491.14**

27.1 Net of amount payable to Gratuity Trust.

28 Revenue from Operations

	Particulars	As at March 31, 2020	As at March 31, 2019
28.1	**Sales**		
	Petroleum Products	573,780.34	717,495.46
	Crude Oil and Other Products	33,502.12	5,335.40
28.2	**Other operating revenues**		
	Sale of scrap	152.91	217.20
	Facilitation charges	57.14	68.82
	Price Reduction Schedule	22.87	34.22
	Total	**232.92**	**320.24**
	Total	**607,515.38**	**723,151.10**

29 Other Income

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
29.1	**Interest on:**		
	Contractor mobilisation advance	31.55	1.53
	Others	240.51	356.97
	Financial assets measured at amortised cost :		
	- Bank deposits	148.71	609.79
	- Direct marketing customers	13.15	23.76
	- Employee loans	70.66	44.71
	Total	**504.58**	**1,036.76**

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
29.2	**Dividend income from:**		
	Investment in mutual funds (measured at FVTPL)	**12.56**	**83.47**
	Investment in Shell MRPL Aviation Fuels and Services Limited (measured at cost)	**6.00**	**21.00**
29.3	**Other non-operating income**		
	Royalty income	11.30	8.68
	Liability no longer required written back	125.42	111.62
	Excess provisions written back	2.12	18.28
	Tender form sale	3.77	0.01
	Hire charges	8.57	4.40
	Recoveries from employees	1.15	10.33
	Amortisation of Deferred Government Grant	187.94	178.24
	Miscellaneous receipts	177.00	79.87
	Total	**527.27**	**411.43**
	Total	**1,050.41**	**1,552.66**

30 Cost of Materials Consumed

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Raw material: Crude oil		
Imported	383,220.35	471,548.51
Indigenous	76,040.65	98,949.04
Raw material: Others		
Imported		
Hydrogen	1,724.71	,434.96
Paraffin raffinate	5,235.48	11,194.72
Reformate	3.28	-
Indigenous		
CRMB modifier	17.56	9.23
Lube Oil - Indigenous	0.64	0.62
Total	**466,242.67**	**585,137.08**

31 Purchases of Stock-in-Trade

Particulars	As at March 31, 2020	As at March 31, 2019
Crude Oil & Other Products	33,520.79	5,260.88
Total	**33,520.79**	**5,260.88**

32 Changes in Inventories of Finished Goods and Stock-in-Process

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
32.1	**Closing stock**		
	Finished goods	11,790.39	20,569.99
	Stock-in-process	5,000.57	9,695.17
	Total closing stock	**16,790.96**	**30,265.16**
32.2	**Opening stock**		
	Finished goods	20,569.99	18,299.45
	Less - Change in Method of Accounting #	-	0.08
	Stock-in-process	9,695.17	6,349.40
	Total opening stock	**30,265.16**	**24,648.77**
	Net (Increase) / Decrease (Opening - Closing)	**13,474.20**	**(5,616.39)**

Change in basis of Accounting for stock-in-trade from purchase to consumption in the financial year 2018-19.

33 Employee Benefits Expense

Particulars [refer note 33.1 below]	As at March 31, 2020	As at March 31, 2019
Salaries and wages	3,635.55	3,596.00
Contribution to provident and other funds	531.85	488.84
Post-retirement benefits - medical and others	13.84	12.74
Staff welfare expenses	219.98	188.98
Total	**4,401.22**	**4,286.56**

33.1 The Non Management employees wage revision is due for revision effective from January 1, 2017 and the negotiation with the employees union is in progress. Pending final negotiation, the Company has made provision for wage revision on estimated basis for the year ended March 31, 2020 amounting to ₹ 248.52 million (Year ended March 31, 2019 ₹ 255.70 million) and is shown under 'Employee Benefits Expense'.

34 Finance Costs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Finance expense for financial liabilities measured at amortised cost		
- From Related Party	-	549.13
- From Banks	4,117.38	2,787.43
- From Others	712.49	246.81
	4,829.87	**3,583.37**
Finance Cost on Lease Liabilities	68.27	-
Financial guarantee charges	27.43	18.52
Exchange differences regarded as an adjustment to borrowing cost	2,500.28	1,115.60
Total	**7,425.85**	**4,717.49**

35 Depreciation and Amortisation Expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of Property, Plant and Equipment **[refer note 5]**	7,674.19	7,550.66
Depreciation of Right-of-Use Assets **[refer note 6]**	129.18	-
Amortisation of Intangible Assets **[refer note 10]**	28.71	16.86
Total	**7,832.08**	**7,567.52**

36 Other Expenses

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
Power, Utility and Fuel **[refer note 36.1 below]**	39,888.68		52,076.09	
Less : Consumption of Fuel from own production	38,264.48	1,624.20	50,799.08	1,277.01
Repairs and maintenance				
- Plant and machinery	5,051.57		3,898.83	
- Buildings	2.90		5.86	
- Others	484.83	5,539.30	425.30	4,329.99
Consumption of Stores, spares and chemicals		1,479.18		1,878.39
Consumption of Packing materials		269.89		369.44
Rent **[refer note 36.4 below and note 6.5]**		34.01		166.10
Insurance		314.96		307.85
Rates and Taxes		1,018.79		719.92
Excise Duty on Stock (Net) **[refer note 36.2 below]**		(2,493.88)		455.39
Exchange Rate Fluctuation loss/ (gain) (Net)		6,872.12		2,919.37
Director's sitting fees		4.28		6.20
Loss on sale/ disposal of Property, Plant and Equipment		84.78		90.18
Bank charges		42.93		28.29
Payment to auditors				
Audit fees	2.66		2.78	
For taxation matters	0.70		0.45	
For certi?cation fees	1.99		2.16	
Reimbursement of expenses	1.83	7.18	2.12	7.51
Corporate Social Responsibility Expenses (CSR) **[refer note 36.3 below]**		760.89		313.21
Provision/ Impairment for:				
Doubtful trade receivables	158.41		14.27	
Returnable Stock	-		41.39	
Slow/non-moving Inventories	9.90	168.31	18.01	73.67
Miscellaneous expenses		2,000.26		1,922.77
Total		**17,727.20**		**14,865.29**

36.1 The company has generated a total of 8,229,787 Kwh of Solar power for the year ended March 31, 2020 (Year ended March 31, 2019 8,145,848 Kwh) and the same are captively consumed. The monetary values of such power generated that are captively consumed are not recognised for the purpose of disclosure in the financial statement.

36.2 Excise Duty on sale of goods has been included in'Revenue from operations' and excise duty shown above represents the difference between excise duty on opening and closing stock of finished goods.

36.3 The CSR expenditure comprises the following:

(a) Gross amount required to be spent by the Company during the year: ₹ 1,226.00 million (Year ended March 31, 2019 ₹ 906.30 million).

(b) Amount spent during the year on:

Particulars	**Year ended March 31, 2020**		
	In Cash	**Yet to be paid in cash**	**Total**
i) Construction/acquisition of Assets	368.04	96.55	464.59
ii) Purposes other than (i) above	280.28	16.02	296.30
Total	**648.32**	**112.57**	**760.89**

Particulars	**Year ended March 31, 2019**		
	In Cash	**Yet to be paid in cash**	**Total**
i) Construction/acquisition of Assets	71.02	114.27	185.29
ii) Purposes other than (i) above	99.98	27.94	127.92
Total	**171.00**	**142.21**	**313.21**

36.4 Lease expenses relating to short-term leases, low value leases and variable lease payment are given below:

Particulars	**Year ended March 31, 2020**
i) Short Term Leases	6.70
ii) Leases for Low Value Assets	0.55
iii) Variable Lease Payments not included in lease liabilities	26.76
Total	**34.01**

Particulars	**Year ended March 31, 2019**
i) Short Term Leases	-
ii) Leases for Low Value Assets	-
iii) Variable Lease Payments not included in lease liabilities	-
Total	**-**

37 Exceptional Items (Income)/Expenses (net)

Particulars [refer note 37.1 below]	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Employee Benefits Expense	-	228.73
Power, utility and fuel	-	339.75
Repairs and maintenance - Plant and machinery	-	(420.54)
Total	**-**	**147.94**

37.1 The exceptional items for previous year is on account of :

a) Expense of ₹ 228.73 million towards differential contribution to "MRPL Defined Contribution Pension Scheme" for Management Staff (pertaining to the period January 2007 to March 2018) and Non Management Staff (pertaining to the period April 2007 to March 2018).

b) Expense of ₹ 339.75 million on account of estimated cost of purchase of Renewable Energy Certificate (REC) from Indian Energy Exchange (IEX), as per the direction received from Karnataka Electricity Regulatory Commission, for meeting Renewable Energy Purchase Obligation (RPO) from the financial year 2015-16 to 2017-18 based on company's captive and auxiliary consumption.

c) Income of ₹ 420.54 million relating to reclaim of input tax credit under Goods and Service Tax Act (GST Act) for the financial year 2017-18 represents the credit taken based on annual mix of products covered under GST and products not covered under GST.

38 Income Taxes related to Continuing Operations

38.1 Income Tax recognised in Statement of Profit and Loss

Particulars	As at March 31, 2020	As at March 31, 2019
Current Tax	1,037.36	1,355.33
Deferred Tax	(13,515.22)	1,132.76
Total	**(12,477.86)**	**2,488.09**

38.2 The Income Tax expenses reconciliations with the accounting profit are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Profit before tax from continuing operations	**(39,554.28)**	**5,807.65**
Income tax expense calculated at 34.944% (2018-2019: 34.944%)	(13,821.85)	2,029.43
Effect of income exempt from tax	(6.49)	(36.51)
Effect of investment allowance u/s 32AC of Income Tax Act, 1961	2.67	20.97
Effect of expenses not deductible in determining taxable profit	213.49	83.71
Effect of recognition of MAT credit of earlier years at 21.3416%	-	(11.70)
Effect of recognition of Prior year tax of previous year **[refer note 14.1]**	1,037.36	(122.06)
Effect of change in deferred tax balance due to true up adjustments	96.96	524.25
Income tax expense recognised in profit or loss	**(12,477.86)**	**2,488.09**

38.3 Income tax recognised in Other Comprehensive Income

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax		
Arising on income and expenses recognised in Other Comprehensive Income:		
Remeasurement of Defined Benefit Obligation	46.05	24.28
Total income tax recognised in Other Comprehensive Income	**46.05**	**24.28**
Bifurcation of the income tax recognised in Other Comprehensive Income into:-		
Items that will not be reclassified to profit or loss	46.05	24.28
Items that will be reclassified to profit or loss	-	-

39 Earnings per Equity Share:

Particulars	As at March 31, 2020	As at March 31, 2019
Profit after tax for the year attributable to Equity shareholders	(27,076.42)	3,319.56
Weighted average number of equity shares (Number in million)	1,752.60	1,752.60
Basic and Diluted earnings per equity share (₹)	(15.45)	1.89
Face Value per equity share (₹)	10.00	10.00

40 Leases

40.1 Obligations under finance leases

40.1.1 During the year the Company has adopted Ind AS 116 'Leases' effective April 1, 2019. The Company has entered into lease agreements for lands which have been classified as finance leases and the same is now disclosed as Right of Use Assets (ROU). The ownership of the lands will be transferred to the Company at the end of the lease term with nominal payment of administrative charges. The lease term ranges from 5 - 44 years.

Financial lease obligation as at March 31, 2020 is immaterial (As at March 31, 2019 : immaterial).

40.2 Operating lease arrangements

40.2.1 Leasing arrangements

During the year the Company has adopted Ind AS 116 'Leases' effective April 1, 2019. The Company has entered into arrangements for right of way for pipelines and lease of land which have been classified as operating leases and the same is now disclosed as Right of Use Assets (ROU). The lease period for right of way ranges from 11 months to 30 years and for leases of land ranges from 5 to 99 years. In case of leasehold land, the Company does not have option to purchase the land at the end of the lease period. Generally, the lease arrangements for land requires Company to make upfront payments at the time of the execution of the lease arrangement with annual recurring charges with escalations in annual lease rentals.

40.2.2 Payments recognized as an expense

During the year the Company has adopted Ind AS 116 'Leases' effective April 1, 2019 and wherever the lease is short term lease, lease for low value assets or variable lease payments are not included in lease liabilities. Previous year figure is not in line with IndAS 116 as the same was not applicable.

Particulars	As at March 31, 2020	As at March 31, 2019
Minimum lease payments	34.01	108.27
Total	**34.01**	**108.27**

40.2.3 Non-cancellable operating lease commitments
The Group does not have any non-cancellable lease arrangements.

41 Employee Benefit Plans

41.1 Defined Contribution Plans

The amounts recognized in the Financial Statements for Defined Contribution Plans are as under:

Particulars	Amount recognized during the year		Contribution for Key Management Personnel	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Employer's contribution to Provident Fund	232.98	11.39	1.24	0.86
Employer's contribution to Superannuation Fund **[refer note 37]**	253.56	466.10	1.34	1.38

Provident Fund :

The Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by Government of India. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence, no further provision is considered necessary. The details of fair value of plan assets and obligations are as under:

Particulars	As at March 31, 2020	As at March 31, 2019
Obligation at the end of the year	4,772.87	4,057.55
Fair value of Plan Assets at the end of the year	4,836.55	4,125.38

Provident Fund is governed through a separate trust. The board of trustees of the Trust functions in accordance with any applicable guidelines or directions that may be issued in this behalf from time to time by the Central Government or the Central Provident Fund Commissioner. The board of trustees have the following responsibilities :

(i) The investments shall be made in accordance with the pattern of investment prescribed by the Government of India in Rule 67 of Income Tax Rules, 1962, and /or directions given by the Central Government, from time to time.

(ii) The Board of Trustees may raise such sum or sums of money as may be required for meeting obligatory expenses such as settlement of claims, grant of advances as per rules, and transfer of member's P.F. accumulations in the event of his / her leaving service of the Employer and any other receipts by sale of the securities or other investments standing in the name of the Fund subject to the prior approval of the Regional Provident Fund Commissioner.

(iii) Fixation of rate of interest to be credited to members' accounts.

41.2 Other long term employee benefits

41.2.1 Brief Description: A general description of the type of Other long-term employee benefits are as follows:

a) Earned Leave Benefit (EL):

Accrual – 32 days per year

Accumulation up to 300 days allowed

EL accumulated in excess of 15 days is allowed for encashment while in service provided the EL encashed is not less than 5 days.

b) Half Pay Leave (HPL)

Accrual – 20 days per year

Encashment while in service is not allowed

Encashment on retirement is permitted; restricted up to 300 days along with Earned leave.

41.2.2 The liability for leaves are recognized on the basis of actuarial valuation.

41.3 Defined benefit plans

41.3.1 Brief Description: A general description of the type of Defined benefit plans are as follows:

a) Gratuity:

15 days salary for every completed year of service. Vesting period is 5 years and the payment is restricted to ₹ 2 million.

The MRPL- Gratuity Trust was formed on 20th April, 2007 and investments of the funds received from the company after actuarial valuation and the investment of the funds upto June 28, 2013 was made in the manner prescribed by Income tax Rule 67(1) of the Income Tax Rules ,1962 as amended from time to time .

The Funds of MRPL- Gratuity Trust after June 28, 2013 is being invested in Group Gratuity Cash Accumulation Scheme (Traditional Fund) in LIC, Bajaj Allianz, HDFC Standard Life Insurance Co., Birla Sunlife Insurance co and India First Life Insurance Co.

b) **Post-Retirement Medical Benefits:**

After retirement, on payment of one time lump sum contribution, the superannuated employee and his/her dependent spouse and dependent parents will be covered for medical benefit as per the rules of the Company.

c) **Resettlement Allowance:**

At the time of superannuation, employees are entitled to settle at a place of their choice and they are eligible for Settlement Allowance.

d) **Termination Benefits :**

i) Premature Retirement on Medical Grounds

The Company has an approved scheme of Premature Retirement on Medical Grounds. Ex gratia payment equivalent 60 days emolument for each completed year of service or the monthly emoluments at the time of retirement multiplied by the balance months of service left before normal date of retirement, whichever is less is payable apart from Superannuation Benefits.

ii) Scheme for Self Insurance for providing lump-sum monetary compensation

Under the scheme of 'Post Retirement Benefit and Benefit on Separation', in case of employee suffering death or permanent total disablement due to an accident arising out of and in the course of employment, a compensation equivalent to 100 months Basic Pay plus Dearness Allowance (DA) without laying down any minimum amount is payable.

iii) Benefits of Separation under SABF

In case of death / permanent disablement of an employee while in service in the Company, the beneficiary has to exercise desired options available within 6 months from the date of death / permanent total disablement.

41.3.2 The liabilities for Defined Benefit Plans (other than Termination Benefits) are recognized on the basis of actuarial valuation and charged to Statement of Profit and Loss. Termination Benefits are charged to Statement of Profit and Loss as and when incurred .

41.3.3 These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently it has a relatively balanced mix of investments in government securities, insurance investment and other debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

In respect of the plans, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2020 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

41.3.4 The principal assumptions used for the purposes of the actuarial valuations were as follows.

Sl. No.	Particulars	As at March 31, 2020	As at March 31, 2019
	Gratuity(Funded)		
1	Expected return on plan assets	6.86%	7.79%
2	Rate of discounting	6.86%	7.79%
3	Rate of salary increase	7.50%	7.50%
4	Rate of employee turnover	2.00%	2.00%
5	Mortality rate during employment	Indian Assured lives Mortality (2006-08)	Indian Assured lives Mortality (2006-08)

Sl. No.	Particulars	As at March 31, 2020	As at March 31, 2019
	Post-Retirement Medical Benefits		
1	Rate of discounting	6.86%	7.79%
2	Medical cost inflation	0.00%	0.00%
3	Rate of employee turnover	2.00%	2.00%
4	Mortality rate during employment	Indian Assured lives Mortality (2006-08)	Indian Assured lives Mortality (2006-08)
5	Mortality rate after employment	Indian Assured lives Mortality (2006-08)	Indian Assured lives Mortality (2006-08)
	Resettlement Allowance:		
1	Rate of discounting	6.86%	7.79%
2	Rate of salary increase	7.50%	7.50%
3	Rate of employee turnover	2.00%	2.00%
4	Mortality rate during employment	Indian Assured lives Mortality (2006-08)	Indian Assured lives Mortality (2006-08)

The rate of discounting based upon the market yield available on Government bonds at the accounting date with a term that matches. The salary growth takes account inflation, seniority, promotion and other relevant factor on long term basis. Expected rate of return on plan assets is based on market expectation, at the beginning of the year, for return over the entire life of the related obligation.

41.3.5 Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:

Gratuity:

Particulars	As at March 31, 2020	As at March 31, 2019
Service Cost :		
Current service cost	32.30	30.38
Net interest expense	7.63	4.80
Past Service Cost	-	-
Components of defined benefit costs recognised in employee benefit expenses	**39.93**	**35.18**
Remeasurement on the net defined benefit liability:		
Return on plan assets excluding amounts included in net interest cost	(0.76)	(8.03)
Actuarial (gains) / losses arising from changes in financial assumptions	98.10	72.84
Actuarial (gains) / losses arising from experience adjustments	18. 63	(2.01)
Components of Remeasurement	**115.97**	**62.80**
Total	**155.90**	**97.98**

Post-Retirement Medical Benefits:

Particulars	As at March 31, 2020	As at March 31, 2019
Service Cost		
Current service cost	5.13	5.05
Net interest expense	6.06	5.60
Components of defined benefit costs recognised in employee benefit expenses	**11.19**	**10.65**
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in financial assumptions	11.58	0.64
Actuarial (gains) / losses arising from experience adjustments	4.24	1.13
Components of Remeasurement	**15.82**	**1.77**
Total	**27.01**	**12.42**

Resettlement Allowance:

Particulars	As at March 31, 2020	As at March 31, 2019
Service Cost		
Current service cost	1.48	1.23
Net interest expense	1.16	0.85
Components of defined benefit costs recognised in employee benefit expenses	**2.64**	**2.08**
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in financial assumptions	2.21	3.81
Actuarial (gains) / losses arising from experience adjustments	(2.22)	1.11
Components of Remeasurement	**(0.01)**	**4.92**
Total	**2.63**	**7.00**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income. The components of remeasurement of net defined benefit liability recognised in other comprehensive income is ₹ (-) 131.78 million (previous year ₹ (-) 69.49 million)

41.3.6 Movements in the present value of the defined benefit obligation are as follows:

Gratuity:

Particulars	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	934.77	797.05
Current service cost	32.30	30.38
Past Service Cost	-	-
Interest cost	72.82	62.57
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in financial assumptions	98.10	72.84
Actuarial gains and losses arising from experience adjustments	18.63	(2.01)
Benefits paid	(33.07)	(26.06)
Closing defined benefit obligation	**1,123.55**	**934.77**
Current obligation	155.90	97.98

Post-Retirement Medical Benefits:

Particulars	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	77.83	71.39
Current service cost	5.13	5.05
Interest cost	6.06	5.60
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in financial assumptions	11.58	0.64
Actuarial gains and losses arising from experience adjustments	4.24	1.13
Benefits paid	(9.62)	(5.98)
Closing defined benefit obligation	**95.22**	**77.83**
Current obligation	2.95	2.56
Non-Current obligation	92.27	75.27

Resettlement Allowance:

Particulars	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	14.88	10.85
Current service cost 1.48	1.23	
Interest cost	1.16	0.85
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in financial assumptions	2.21	3.81
Actuarial gains and losses arising from experience adjustments	(2.22)	1.11
Benefits paid	(0.43)	(2.97)
Closing defined benefit obligation	**17.08**	**14.88**
Current obligation	0.50	0.39
Non-Current obligation	16.58	14.49

41.3.7 The amount included in the Balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows :

Gratuity:

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of funded defined benefit obligation	(1,123.55)	(934.77)
Fair value of plan assets	967.65	836.79
Funded status	**(155.90)**	**(97.98)**
Restrictions on asset recognised	-	-
Net liability arising from defined benefit obligation	**(155.90)**	**(97.98)**

The amounts included in the fair value of plan assets of gratuity fund in respect of Company's own financial instruments and any property occupied by, or other assets used by the reporting enterprise are ₹ Nil (As at March 31, 2019 ₹ Nil)

Post-Retirement Medical Benefits, terminal benefits and Resettlement allowances are unfunded plans, and no plan assets are involved.

41.3.8 Movements in the fair value of the plan assets are as follows :

Gratuity:

Particulars	As at March 31, 2020	As at March 31, 2019
Opening fair value of plan assets	836.79	735.95
Interest income	65.19	57.77
Return on plan assets (excluding amounts included in net interest expense)	0.76	8.03
Contributions by the employer	97.98	61.10
Benefits paid	(33.07)	(26.06)
Closing fair value of plan assets	**967.65**	**836.79**

Expected Contribution in respect of Gratuity for next year will be ₹ 151.16 million (For the year ended March 31, 2019 ₹ 85.61 million)

The Company has recognized a gratuity liability of ₹ 155.90 million as at March 31, 2020 (As at March 31, 2019 ₹ 97.98 million).

41.3.9 The fair value of the plan assets at the end of the reporting period for each category, are as follows.

Fair value of plan assets as at

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and Cash equivalents	22.92	1.00
Equity Investment	-	-
Mutual Fund-UTI Treasury Fund	19.21	20.23
Debt investment categorised by issuer's credit rating		
AAA	31.12	36.44
AA+	0.30	5.01
AA	-	2.03
AA-	-	-
A+	7.01	-
A-	-	3.01
BBB+	-	3.01
Group Gratuity Cash Accumulation Scheme (Traditional Fund)		
Life Insurance Corporation of India	186.84	156.90
Bajaj Allianz	167.93	137.01
HDFC Standard Life Insurance Co.	169.01	140.00
Birla Sunlife Insurance Co.	93.29	70.26
India First Life Insurance Co.	93.34	70.26
Investment in Government Securities	121.13	139.69
Other current assets - Interest Accrued	55.55	51.94
Total	**967.65**	**836.79**

41.3.9.1 The actual return on plan assets of gratuity was ₹ 65.19 million (As at March 31, 2019 ₹ 57.77 million).

41.3.10 Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

41.3.11 Sensitivity Analysis as at March 31, 2020

Significant actuarial assumptions	Gratuity	Post-Retirement Medical Benefits	Resettlement Allowance
Rate of discounting			
- Impact due to increase of 50 basis points	(54.57)	(6.51)	(1.24)
- Impact due to decrease of 50 basis points	59.25	7.26	1.38
Rate of salary increase			
- Impact due to increase of 50 basis points	18.71	-	1.36
- Impact due to decrease of 50 basis points	(18.99)	-	(1.24)
Rate of Employee turnover			
- Impact due to increase of 50 basis points	15.18	(2.76)	-
- Impact due to decrease of 50 basis points	(16.10)	2.51	-

41.3.12 Sensitivity Analysis as at March 31, 2019

Significant actuarial assumptions	Gratuity	Post-Retirement Medical Benefits	Resettlement Allowance
Rate of discounting			
- Impact due to increase of 50 basis points	(44.11)	(5.09)	(1.06)
- Impact due to decrease of 50 basis points	47.78	5.65	1.17
Rate of salary increase			
- Impact due to increase of 50 basis points	15.56	-	1.17
- Impact due to decrease of 50 basis points	(15.97)	-	(1.06)
Rate of Employee turnover			
- Impact due to increase of 50 basis points	16.15	(2.02)	0.03
- Impact due to decrease of 50 basis points	(17.15)	1.72	(0.04)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

41.3.13 Following are the details relating to the defined benefit plans that have a significant bearing on Company's future cash flows:

Gratuity:

Particulars	As at March 31, 2020	As at March 31, 2019
Number of active members	1,939	1,939
Per month salary for active members	178.89	160.97
Weighted average duration of the Projected Benefit Obligation (years)	12	12
Average Expected future service (years)	16	17
Projected benefit obligation	1,123.55	934.77
Contribution to the defined benefit plan during the next financial year	178.89	130.29

Post-Retirement Medical Benefits:

Particulars	As at March 31, 2020	As at March 31, 2019
Number of active members	1,939	1,943
Number of retired employees	126	112
Weighted average duration of the Projected Benefit Obligation (years)	15	15
Average expected future service (years)	17	17
Projected benefit obligation	95.22	77.83

Resettlement Allowance:

Particulars	As at March 31, 2020	As at March 31, 2019
Number of active members	1,939	1,943
Per month salary for active members	178.89	161.10
Weighted average duration of the Projected Benefit Obligation (years)	15	16
Average expected future service (years)	16	17
Projected benefit obligation	17.08	14.88

41.3.14 Maturity Profile for Defined Benefit Obligations

Particulars	As at March 31, 2020	As at March 31, 2019
Gratuity		
Less than one year	66.61	49.49
One to Three years	116.46	108.58
Three to Five years	134.14	122.20
Five years to Ten years	462.47	398.88
Post-Retirement Medical Benefits		
Less than one year	2.95	2.55
One to Three years	6.27	5.70
Three to Five years	7.12	6.52
Five years to Ten years	25.25	22.30
Resettlement Allowance		
Less than one year	0.50	0.39
One to Three years	0.92	0.91
Three to Five years	0.97	0.89
Five years to Ten years	3.05	2.66

42 Segment Reporting

The Company has "Petroleum Products" as single reportable segment.

42.1 Information about major customers

Company's significant revenues are derived from sales to oil marketing companies which is 57% and 53% of the Company's sales related to petroleum products for the year ending March 31, 2020 & March 31, 2019 respectively. The total sales to such companies amounted to ₹ 328,952.62 million for the year ended March 31, 2020 and ₹ 380,910.31 million for the year ended March 31, 2019.No customer (excluding oil marketing companies mentioned above) for the years ended March 31, 2020 and March 31, 2019 contributed 10% or more to the Company's revenue.

42.2 Information about geographical areas:

a) The Company is domiciled in India. The amount of its revenue from customers broken down by location of customers is tabulated below:

Particulars	As at March 31, 2020	As at March 31, 2019
India	448,281.09	507,779.82
Other Countries	159,001.37	215,051.04
Total	**607,282.46**	**722,830.86**

b) Non-current assets (excluding financial assets and deferred tax assets) broken down by location of customers is tabulated below:

Particulars	As at March 31, 2020	As at March 31, 2019
India	170,052.42	163,801.22
Other Countries	-	-
Total	**170,052.42**	**163,801.22**

42.3 Revenue from major products

The following is an analysis of the Company's revenue from continuing operations from its major products:

Particulars	As at March 31, 2020	As at March 31, 2019
High speed Diesel (HSD)	303,698.47	355,141.34
Motor Spirit (MS)	75,719.55	87,107.06
Total	**379,418.02**	**442,248.40**

Threshold limit of 10% of total turnover of each product is considered for reporting revenue from major products.

43 Related Party Disclosures

43.1 Name of related parties and description of relationship:

A Entity having control over the Company (Holding Company)
Oil and Natural Gas Corporation Limited (ONGC)

B Entity having significant influence over the Company
Hindustan Petroleum Corporation Limited (HPCL)

C Subsidiary
ONGC Mangalore Petrochemicals Limited (OMPL)

D Joint Ventures
Shell MRPL Aviation Fuels and Services Limited (SMAFSL)

E Trusts (including post retirement employee benefit trust) where in MRPL is having control
1 MRPL Gratuity Fund Trust
2 MRPL Provident Fund Trust

F Key Management Personnel

F.1 Non-Executive directors
Shri Shashi Shanker, Chairman

F.2 Executive Directors
1 Shri M. Venkatesh, Managing Director, holding additional charge of Director (Refinery) till July 11, 2019 and Charge of Director (Finance) till October 15, 2019
2 Shri M Vinayakumar, Director (Refinery), from July 11,2019.
3 Smt. Pomila Jaspal, Director (Finance), from October 15, 2019.

F.3 Other Non-Executive Directors
1 Shri Vinod S. Shenoy, Nominee Director (HPCL)
2 Shri Subhash Kumar, Nominee Director (ONGC)
3 Shri K.M. Mahesh, Government Nominee Director, till October 17, 2019.
4 Shri Sanjay Kumar Jain, Government Nominee Director, till January 08, 2020
5 Ms.Manjula C, Independent Director, till January 31, 2020.
6 Shri V.P. Haran , Independent Director
7 Shri Sewa Ram , Independent Director
8 Dr. G.K. Patel , Independent Director
9 Shri Balbir Singh Yadav, Independent Director
10 Shri Vivek Mallya, Independent Director, till January 30, 2020
11 Shri R T Agarwal, Independent Director, from July 12, 2019.
12 Shri Vijay Sharma, Government Nominee, from January 08, 2020.
13 Shri Sunil Kumar, Government Nominee, from October 17, 2019.

F.4 Chief Financial Officer
1 Smt. Pomila Jaspal, Director (Finance) & CFO, from November 04, 2019.
2 Shri S. Raviprasad, CFO, upto November 04, 2019.

F.5 Company Secretary
Shri Dinesh Mishra, Company Secretary

43.2 Details of Transactions:

43.2.1 Transactions with Holding Company

Oil and Natural Gas Corporation Limited (ONGC)	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Sales of products	Sale of Oil Products etc	5,649.26	8,694.55
Purchases of Crude	Purchase of Crude Oil etc	41,538.37	54,415.27
Services received	a) Deputation of ONGC Employees	2.53	6.45
	b) Rent and Electricity Charges for Mumbai and Delhi Office & reimbursement of expenses	74.32	48.97
Guarantee Fees	Charges for Guarantee given to Saudi Aramco	34.24	16.52
Dividend	Dividend Paid	1,255.35	3,766.06
Loan	Repayment of Loan	-	18,856.90
Interest Expense	Interest on Term Loan	-	549.13

43.2.2 Outstanding balances with Holding Company

Oil and Natural Gas Corporation Limited (ONGC)	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Amount receivable	Sale of products	679.16	6.92
Amount payable	Purchase of Crude Oil	1,746.97	4,102.59
Amount payable	Others for expenses	18.22	25.88

43.2.3 Transactions with Entity having significant influence over the Company

Hindustan Petroleum Corporation Limited (HPCL)	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Sales	Sale of Oil products etc	148,663.53	156,578.87
Services provided	a) Loading arm, pipeline charges etc.	1.64	-
	b) Reimbursement of Expenses, facilitation charges	8.01	9.73
	c) Receipts of contaminated products, Hospitality Charges, Wharfage etc.	10.24	44.56
Dividend	Dividend Paid	297.15	891.46

43.2.4 Outstanding balances with Entity having significant influence over the Company

Hindustan Petroleum Corporation Limited (HPCL)	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Amount receivable	Sale of Oil products etc. Others reimbursements	5,769.37 40.27	7,168.79 40.26
Amount payable	Others for expenses	4.94	2.39

43.2.5 Transactions with Subsidiary

ONGC Mangalore Petrochemicals Limited (OMPL)	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Sales of products	Sale of products	49,089.74	59,579.45
Purchase of products	Purchases	7,657.24	15,863.32
Services received	a) Salary for OMPL staff on deputation etc	2.75	1.22
	b) Road Facility	-	(0.43)
Services provided	a) Facilitation Charges	57.14	68.82
	b) Deputation of MRPL Employees & other expenses	23.97	32.16
	c) Consultancy back charges/ credit note for metering	-	5.36
Investment in Equity	Investment in Equity	2,550.09	1,530.05
Interest income and Other Recovery	Reimbursement of Charges	397.44	158.57

43.2.6 Outstanding balances with Subsidiary

ONGC Mangalore Petrochemicals Limited (OMPL)	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Loans	Short Term Loans & Advances	0.39	2.96
Amount receivable	Sales of Oil products, Facilitation Charges & Others	943.45	2,491.87
Amount payable	Purchase of Raffinate, Hydrogen & Other Service Charges	65.72	570.65
Commitments	a) On account of bill discounting of OMPL invoices with recourse to MRPL	6,324.45	-
	b) Backstopping support by MRPL for Compulsorily Convertible Debentures issued by OMPL	5,100.00	-
	c) Backstopping support for Interest accrued on Compulsorily Convertible Debentures issued by OMPL	-	-

43.2.7 Transactions with Joint Ventures:

Shell MRPL Aviation Fuels and Services Ltd (SMAFSL)	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Sales of products	Petroleum Products	7,409.25	6,434.29
Services provided	a) Reimbursement of Expenses	0.07	0.02
	b) Royalty Income	12.65	9.73
Dividend Income	Dividend received	6.00	21.00

43.2.8 Outstanding balances with Joint Ventures:

Shell MRPL Aviation Fuels and Services Ltd (SMAFSL)	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Amount receivable:	Royalty and Terminalling Charges etc.	318.56	496.31

43.2.9 Transactions with Other Related Parties Associates :

Name of Associates	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
a) Services received from:			
1. Mangalore SEZ Limited	River Water, STP Water & Road Repairs	692.69	616.34
2. Petronet MHB Limited	Pipeline Transportation Charges & other expenses	110.95	254.18
3. ONGC Nile Ganga BV	Purchase of Crude Oil etc	0.11	17,740.96
b) Services provided to:			
4. ONGC Nile Ganga BV	Tendering services	0.70	0.08
5. ONGC Campos Ltda	Tendering services	-	0.06
6. Petronet MHB Limited	Reimbursement of Electricity Charges etc	28.78	36.95

43.2.10 Outstanding balances with Other Related Parties Associates :

Name of Associates	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Amount receivable:			
1. Petronet MHB Limited	Reimbursement of Electricity Charges etc	-	37.48
2. ONGC Nile Ganga BV	Outstanding on account of services	0.12	0.08
3. ONGC Campos Ltda	Outstanding on account of services	0.10	0.10
4. Mangalore SEZ Limited	River Water, STP Water and Road Repairs	129.30	-
Amount payable:			
1. Mangalore SEZ Limited	River Water, STP Water and Road Repairs etc	-	44.49
2. Petronet MHB Limited	Pipeline Transportation Charges and other expenses	15.38	-
3. ONGC Nile Ganga BV	Balance Outstanding on account of Crude procurement etc	-	39.05

43.2.11 Transactions with Trusts

Name of Trusts	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Remittance of payments:			
Provident Fund of MRPL Limited	Contributions	525.98	462.76
Reimbursement of Gratuity payment made on behalf of Trust:			
MRPL Gratuity Fund Trust	Reimbursements and Contributions	33.07	38.85

43.2.12 Compensation to Key Management Personnel:

Whole Time Directors/ Company Secretary/ Chief Financial Officer Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Short Term employee benefits	15.86	23.66
Post-employment benefits (includes provision for leaves, gratuity and other post retirement benefits)	16.72	8.61
Other long-term benefits (includes contribution to provident fund)	2.59	2.21
Total	**35.17**	**34.48**

Loans / Accrued Interest on Loan to directors and other officers:

Whole Time Directors and Company Secretary Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Loans to Director and Company Secretary	0.67	0.82
Accrued interest on Loans to Director and Company Secretary	0.12	0.11
Total	**0.79**	**0.93**

Independent Directors

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sitting Fees	4.28	6.20

43.3 Disclosure in respect of Government related entities [refer note 43.3.4 below]:

43.3.1 Name of Government related entities and description of relationship wherein significant amount of transactions were carried out:

	Government related entities	Relation
1	Bharat Petroleum Corporation Ltd (BPCL)	Central PSU
2	Indian Oil Corporation Limited (IOCL)	Central PSU
3	Bharat Heavy Electrical Limited (BHEL)	Central PSU
4	Oriental Insurance Co. Limited	Central PSU
5	Bridge & Roof Co (India) Limited	Central PSU
6	Engineers India Limited	Central PSU
7	The Shipping Corporation of India Limited	Central PSU
8	Konkan Railway Corporation Limited	Central PSU
9	Indian Strategic Petroleum Reserves Limited (ISPRL)	Central Government
10	Centre for High Technology	Central Government
11	Indian Railways	Central Government
12	Karnataka Power Transmission Corporation Limited	State Government
13	Karnataka Industrial Area Development Board	State Government
14	New Mangalore Port Trust	Central Port Trust

43.3.2 Transactions with Government related Entities [refer note 43.3.4 below]:

	Name of entity	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
A	**Sale of products, others during year to:**			
1	Indian Oil Corporation Limited (IOCL)	Sale of Crude Oil / Petroleum products	113,002.64	120,102.25
2	Bharat Petroleum Corporation Ltd (BPCL)	Sale of petroleum products	49,974.93	87,668.44
3	New Mangalore Port Trust	Sale of petroleum products	2.99	2.37
4	Indian Strategic Petroleum Reserves Limited (ISPRL)	Sale of Crude oil/ petroleum products	-	5,342.30
5	Indian Railways	Sale of petroleum products	1,077.89	-
B	**Purchase of product during year from:**			
1	Bharat Heavy Electrical Ltd	Other supplies	101.94	62.52
2	Indian Oil Corporation Limited (IOCL)	Purchase of Naphtha / Contaminated Product / Lubes	17.05	11.39
3	Bharat Petroleum Corporation Ltd (BPCL)	Purchase of Contaminated Product	1.00	0.96
4	Indian Strategic Petroleum Reserves Limited (ISPRPL)	Purchase of Crude Oil	28,766.70	-
C	**Service Provided**			
1	Indian Strategic Petroleum Reserves Limited (ISPRL)	Deputation of MRPL Employees	8.03	9.43
2	Indian Oil Corporation Limited (IOCL)	On account of Pipeline, loading arm charges	1.08	-
D	**Services Received from:**			
1	Karnataka Power Transmission Corporation Ltd	Purchase of electricity	207.34	204.59
2	Oriental Insurance Co. Ltd	Insurance premium	378.24	316.81
3	New Mangalore Port Trust	Port Services others	1,113.23	394.52
4	Bridge & Roof Co (India) Ltd	Job Work Service	1,304.88	1,118.60
5	Engineers India Ltd	Technical Services	288.56	397.74
6	The Shipping Corporation of India Ltd	Service	3,034.08	2,044.40
7	New Mangalore Port Trust	Port Services	160.06	1,275.37
8	Konkan Railway Corporation Limited	Railway Siding	177.27	-
9	Indian Oil Corporation Limited (IOCL)	Testing Fees & Demurrage	-	3.02
10	Bharat Petroleum Corporation Ltd (BPCL)	PT Programme Services	0.18	0.06
11	Bharat Heavy Electrical Ltd	Other services	67.80	-
E	**Advance for Acquisition for Land**			
1	Karnataka Industrial Area Development Board	Purchase of Phase IV Land	-	158.23

43.3.3 Outstanding balances with Government related entities [refer note 43.3.4 below]:

Name of entity	Nature of Transactions	As at March 31, 2020	As at March 31, 2019
Amount receivable:			
1 Indian Oil Corporation Limited	Trade and other receivable	935.79	7,306.93
2 Bharat Petroleum Corporation Ltd	Trade and other receivable	1,084.60	2,445.86
3 Indian Strategic Petroleum Reserves Limited (ISPRL)	Trade and other receivable	6.78	1.36
4 New Mangalore Port Trust	Trade and other receivable	300.18	222.66
5 Indian Railways	Trade and other receivable	356.02	-
Advance to Vendors :			
1 Centre for High Technology	Advance	28.57	29.62
2 Karnataka Industrial Area Development Board	Advance for Land etc.	6,951.99	7,175.77
3 Indian Strategic Petroleum Reserves Limited (ISPRL)	Advance	0.39	7.53
Amount payable:			
1 Bridge & Roof Co (India) Ltd	Trade and other payable	135.95	114.05
2 Engineers India Ltd	Trade and other payable	143.69	157.93
3 Bharat Heavy Electrical Ltd	Trade and other payable	883.41	874.55
4 The Shipping Corporation of India Ltd	Trade and other payable	131.41	118.23
5 Konkan Railway Corporation Limited	Trade and other payable	16.85	-
6 Karnataka Power Transmission Corporation Ltd	Trade and other payable	17.62	20.08
7 Indian Oil Corporation Limited	Trade and other payable	0.08	0.08
8 Indian Strategic Petroleum Reserves Limited (ISPRL)	Trade and other payable	6,462.22	-

The above transactions with the government related entities cover transactions that are significant individually and collectively. The Company has also entered into other transactions such as telephone expenses, air travel, fuel purchase and deposits etc. with above mentioned and other various government related entities. These transactions are insignificant individually and collectively and hence not disclosed.

43.3.4 Relationship, transactions and outstanding balances with ONGC, HPCL, OMPL, PMHBL and ONGC Nile Ganga BV have been disclosed in Note 43.2.1 to 43.2.10 above.

44 Financial instruments

44.1 Capital Management

The Company's objective when managing capital is to safeguard its ability to continue as going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders; and maintain an optimal capital structure to reduce the cost of capital.

The Company maintains its financial framework to support the pursuit of value growth for shareholders, while ensuring a secure financial base. In order to maintain or adjust the capital structure, the Company may vary the distribution of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Company consists of net debt (borrowings

The Company's management reviews the capital structure of the Company on quarterly basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital requirements and maintenance of adequate liquidity.

44.1.1 Gearing Ratio

The gearing ratio at the end of the reporting period is computed as follows:

Particulars		As at March 31, 2020	As at March 31, 2019
i)	Debt *	118,960.72	91,310.39
ii)	Total cash and bank balances	279.95	4,875.35
	Less : cash and bank balances required for working capital	279.95	4,875.35
	Net cash and bank balances	-	-
iii)	**Net Debt**	118,960.72	91,310.39
iv)	**Total equity**	77,995.29	107,270.29
v)	**Net Debt to equity ratio**	1.53	0.85
*** Debt is defined as long-term and short term borrowings as described in note 22 and note 23**			

44.2 Categories of financial instruments

Particulars		As at March 31, 2020	As at March 31, 2019
Financial assets [refer note 44.2.1 below]			
Measured at amortised cost			
(a)	Trade receivables	10,422.69	23,222.96
(b)	Cash and cash equivalents	17.80	25.91
(c)	Other bank balances	262.15	4,849.44
(d)	Loans	1,241.91	1,038.91
(e)	Other financial assets	6,527.90	140.62
Measured at fair value through profit and loss			
(a)	Investments	0.19	0.19
Financial liabilities			
Measured at amortised cost			
(a) Borrowings		103,876.00	80,776.56
(b) Trade payables		32,711.17	46,750.36
(c) Other financial liabilities		24,386.68	15,723.71

44.2.1 Investments in Subsidiary and Joint Venture have not been disclosed above as these are measured at cost less impairment, if any.

44.3 Financial risk management objectives

The Company's Risk Management Committee monitors and manages key financial risks relating to the operations of the Company by analysing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

44.4 Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are foreign currency exchange risk and interest rate risk.

44.5 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies, primarily for purchases of crude oil and exports sales and has borrowings denominated in foreign currency; consequently, exposures to exchange rate fluctuations arise. Significant carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Transaction Currency	Liabilities		Assets	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
USD	97,038.67	107,917.26	2,243.84	3,225.16

44.5.1 Foreign currency sensitivity analysis

The Company is mainly exposed to the currency of United States of America (USD). Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

USD sensitivity at year end	As at March 31, 2020	As at March 31, 2019
Receivables:		
Weakening of INR by 5%	112.19	161.26
Strengthening of INR by 5%	(112.19)	(161.26)
Payables:		
Weakening of INR by 5%	(4,851.93)	(5,395.86)
Strengthening of INR by 5%	4,851.93	5,395.86

44.5.2 Forward foreign exchange contracts

The Company has not entered into any forward foreign exchange contracts during the reporting period.

44.6 Interest rate risk management

The Company has availed borrowings at fixed and floating interest rates, hence is exposed to interest rate risk. The Company has not entered into any of the interest rate swaps and hence the Company is exposed to interest rate risk.

<u>**Interest rate sensitivity analysis**</u>

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate borrowings, the analysis is prepared assuming the amount of the borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used for disclosing the sensitivity analysis.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended March 31, 2020 would decrease/increase by ₹ 377.04 million (for the year ended March 31, 2019 : decrease/increase by ₹ 406.14 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings (considered on closing balance of borrowings as at year end and excluding working capital loans).

44.7 Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from cash and cash equivalents, deposits with banks as well as customers including receivables. Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate etc.).

Major customers comprise of public sector undertakings (Oil Marketing Companies - OMCs) and subsidiary Company ONGC Mangalore Petrochemicals Limited (OMPL). Both public sector undertakings (OMCs) and OMPL are having highest credit ratings, carry negligible credit risk. Concentration of credit risk to any other counterparty did not exceed 10% of total monetary assets at any time during the year.

Only high rated banks are considered for placement of deposits. Bank balances are held with reputed and creditworthy banking institutions.

44.8 Liquidity risk management

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios. The Company manages liquidity risk by maintaining adequate reserves and continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars As at March 31, 2020	Weighted average effective interest rate	Less than 1 month	1 month 1 year	1 year – 3 years	More than 3 years	Total	Gross Carrying Value
(i) Borrowings	Long term - 4.80 %Short Term -7.74%	2,470.32	21,890.51	17,811.00	62,652.88	1,04,824.71	1,03,876.00
(ii) Trade payables	Refer note 26.2	27,516.76	5,194.41	-	-	32,711.17	32,711.17
(iii) Other financial liabilities		5,618.40	16,901.01	439.09	4,356.39	27,314.89	24,386.68

Particulars As at March 31, 2019	Weighted average effective interest rate	Less than 1 month	1 month 1 year	1 year – 3 years	More than 3 years	Total	Gross Carrying Value
(i) Borrowings	Long term - 5.41%Short Term - 7.40%	38,193.58	10,374.00	20,314.50	12,376.20	81,258.28	80,776.56
(ii) Trade payables	Refer note 26.2	37,656.20	9,094.16	-	-	46,750.36	46,750.36
(iii) Other financial liabilities		4,017.57	11,707.63	-	-	15,725.20	15,723.71

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

Particulars As at March 31, 2020	Weighted average effective interest rate	Less than 1 month	1 month 1 year	1 year – 3 years	More than 3 years	Total	Gross Carrying Value
(i) Investments		-	-	-	17,576.56	17,576.56	17,576.56
(ii) Loans							
Loans to Employee	7.40%	15.43	113.10	246.99	701.70	1,077.22	1,077.22
Loan to Customers		0.01	0.14	0.35	1.24	1.74	1.74
Others	9.55%	3.40	1.11	0.10	352.06	356.67	162.95
(iii) Trade receivables	Refer note 17.1	10,346.32	76.37	-	-	10,422.69	10,422.69
(iv) Cash and cash equivalents		17.80	-	-	-	17.80	17.80
(v) Other Bank balances		262.06	0.09	-	-	262.15	262.15
(vi) Other financial assets		2.02	6,327.31	13.30	185.27	6,527.90	6,527.90

Particulars As at March 31, 2020	Weighted average effective interest rate	Less than 1 month	1 month 1 year	1 year – 3 years	More than 3 years	Total	Gross Carrying Value
(i) Investments		-	-	-	15,026.47	15,026.47	15,026.47
(ii) Loans							
Loans to Employee	6.24%	17.58	90.25	195.95	575.05	878.83	878.83
Loan to Customers		-	-	-	-	-	-
Others		2.89	0.92	0.35	343.58	347.74	160.08
(iii) Trade receivables	Refer note 17.1	23,149.16	73.80	-	-	23,222.96	23,222.96
(iv) Cash and cash equivalents		25.91	-	-	-	25.91	25.91
(v) Other Bank balances		4,849.35	-	0.09	-	4,849.44	4,849.44
(vi) Other financial assets		3.95	1.63	3.15	131.89	140.62	140.62

The Company has access to financing facilities as described below, of which ₹ Nil were unused at the end of the reporting period (As at March 31, 2019 ₹ 2,463.20 million). The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Particulars	As at March 31, 2020	As at March 31, 2019
Secured bank overdraft facility payable at call :	-	4,120.50
- amount used	-	1,657.30
- amount unused	-	2,463.20

44.9 Fair value measurement

The management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values unless otherwise stated.

45 The Financial position of the Joint Venture is as under:

Particulars (As at March 31, 2020)	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Total Revenue	Profit or Loss from continuing operations	Profit or Loss from discontinued operations	Other Comprehensive Income	Total Comprehensive Income
Shell MRPL Aviation Fuels and Services Limited	2,405.41	98.63	1,921.35	9.12	8,307.54	15.19	-	(0.43)	14.76
Total	**2,405.41**	**98.63**	**1,921.35**	**9.12**	**8,307.54**	**15.19**	**-**	**(0.43)**	**14.76**

Particulars (As at March 31, 2019)	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Total Revenue	Profit or Loss from continuing operations	Profit or Loss from discontinued operations	Other Comprehensive Income	Total Comprehensive Income
Shell MRPL Aviation Fuels and Services Limited	3,083.44	96.06	2,602.38	3.36	7,277.44	15.94	-	(0.48)	15.46
Total	**3,083.44**	**96.06**	**2,602.38**	**3.36**	**7,277.44**	**15.94**	**-**	**(0.48)**	**15.46**

45.1 Additional Financial information related to Joint venture is as under:

Particulars (As at March 31, 2020)	Cash and Cash Equivalents	Current Financial Liabilities	Non-Current Financial Liabilities	Depreciation and Amortisation	Interest Income	Interest Expense	Income Tax Expense on Income
Shell MRPL Aviation Fuels and Services Limited	533.12	1,836.11	9.12	15.31	41.50	12.04	1.60
Total	**533.12**	**1,836.11**	**9.12**	**15.31**	**41.50**	**12.04**	**1.60**

Particulars (As at March 31, 2019)	Cash and Cash Equivalents	Current Financial Liabilities	Non-Current Financial Liabilities	Depreciation and Amortisation	Interest Income	Interest Expense	Income Tax Expense on Income
Shell MRPL Aviation Fuels and Services Limited	203.48	2,487.63	-	11.36	43.99	13.68	14.06
Total	**203.48**	**2,487.63**	**-**	**11.36**	**43.99**	**13.68**	**14.06**

46 Contingent liabilities

46.1 Claims against the Company/ disputed demands not acknowledged as debt:-

Sl. No.	Particulars	As at March 31, 2020	As at March 31, 2019
1.	**Claims of Contractors / vendors in Arbitration / Court** Some of the contractors for supply and installation of equipment have lodged claims on the Company seeking revision of time of completion without liquidated damages, extended stay compensation and extra claims etc., which are contested by the Company as not admissible in terms of the provisions of the respective contracts. In case of unfavourable awards the amount payable that would be capitalised is ₹ 1,248.03 million / charged to revenue account would be ₹ 35.86 million (Year ended March 31, 2019 ₹ 3,001.29 million and ₹ 46.93 million).	1,283.89	3,048.22
2.	**Others**		
	The claim of Mangalore SEZ Limited over and above the advance paid for land and rehabilitation & resettlement work.	20.05	20.05
	Total	**1,303.94**	**1,303.94**

In respect of all these claims, it is being contested by the Company as not admissible. It is not practicable to make a realistic estimate of the outflow of resource, if any, for settlement of such claim, pending resolution / award from Arbitrators/ Court.

46.2 Disputed tax / Duty demands pending in appeal as at 31st March,2020

46.2.1 Income Tax: ₹ 116.52 million as at March 31,2020 (As at March 31, 2019 ₹ 2,990.62 million). Against this ₹ Nil as at March 31,2020 (As at March 31, 2019 ₹ 307.24 million) is adjusted / paid under protest and is included under tax assets/ liability [**refer note 14**].

46.2.2 Excise Duty: ₹ 7,310.93 million as at March 31,2020 (As at March 31, 2019 ₹ 6,888.27 million). Against this ₹ 182.10 million as at March 31,2020 (As at March 31, 2019 ₹ 182.10 million) is predeposit / paid under protest and is included under other assets **[refer note 15].**

46.2.3 Customs Duty: ₹ 916.31 million as at March 31,2020 (As at March 31, 2019 ₹ 873.25 million). Against this ₹ 379.48 million as at March 31,2020 (As at March 31, 2019 ₹ 378.71 million) is adjusted / paid under protest and is included under other assets [**refer note 15**].

47 Commitments

47.1 Capital Commitments:

47.1.1 The estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) as at March 31, 2020 ₹ 10,662.97 million (As at March 31, 2019 ₹ 18,170.79 million).

47.1.2 The Company has requested KIADB for an allotment of 1,050 acres of land for Phase IV expansion. The balance capital commitment in this regard is around ₹ 6,407.14 million (As at March 31,2019 ₹ 6,407.14 million).

47.1.3 The Company has requested KIADB for an allotment of 47.65 acres of land at Hanagavadi Industrial Area, Davangere District for setting up 2G Ethanol Plant. The balance capital commitment in this regard is around ₹ Nil (As at March 31,2019 ₹ 367.87 million).

47.2 Other Commitments

47.2.1 Pending commitment on account of Refinery-MRPL is in possession of certain land provisionally measuring 36.69 acres ceded by HPCL for use by MRPL Phase III expansion and upgradation work .The consideration for such land is mutually agreed to be by way of swapping of land in possession of MRPL/HPCL. The final documentation in this regard is pending to be executed.

47.2.2 Pending commitment on account of Refinery performance improvement programme by M\s.Shell Global International Solution (M\s.Shell GIS) as at March 31, 2020 USD 1.46 million net of advance (As at March 31, 2019 USD 1.46 million net of advance)

47.2.3 The Company has entered into an arrangement for backstopping support towards repayment of principal and cumulative coupon amount for three years Compulsorily Convertible Debentures (CCD) amounting to ₹ 5,100 million (As at March 31,2019 ₹ Nil) issued by subsidiary Company "ONGC Mangalore Petrochemicals Limited (OMPL)" and outstanding interest for the year ended March 31, 2020 amounting to ₹ Nil (As at March 31, 2019 ₹ Nil).

48 Reconciliation of liabilities arising from financing activities.

The table below details change in the Company's liabilities arising from financing activities, including both cash and non cash changes. Liabilities arising from financing activities are those for which cash flows where, or future cash flows will be, classified in the Company's Statement of Cash Flows as cash flows from financing activities.

Sl. No.	Particulars	Opening balance as at 01/04/2019	Financing cash Flows	Non-cash changes	Closing balance as at 31/03/2020
I	**Borrowing - Long Term**				
	1 External commercial borrowing (ECB)	24,092.40	-	2,288.37	26,380.77
	2 Loan from Oil Industry Development Board (OIDB)	2,680.00	2,710.00	-	5,390.00
	3 Deferred payment liabilities - VAT Loan	225.56	423.85	(288.63)	360.78
	4 Working capital term loan from banks (ECB)	68.52	27,752.88	2,203.63	30,025.03
	5 Non-Convertible Debentures	-	25,600.00	(13.41)	25,586.59
	6 Deferred payment liabilities - CST	218.63	(218.63)	-	-
	7 Foreign Currency Term Loan (FCTL)	3,458.00	(3,458.00)	-	-
	8 Rupee Term Loan	11,999.70	(5,142.98)	-	6,856.72
	Total	**42,742.81**	**47,667.12**	**4,189.96**	**94,599.89**
II	**Borrowing - Short Term**				
	1 Working capital loan from banks	3,071.58	(601.26)	-	2,470.32
	2 Foreign Currency Term Loan (FCTL)	17,290.00	(5,664.63)	240.69	11,866.06
	3 Buyers Credit & Pre/Post Shipment Export Credit	24,206.00	(24,206.00)	-	-
	4 Commercial Paper	4,000.00	(4,000.00)	-	-
	5 Bill Discounting Facility	-	6,324.45	-	6,324.45
	6 Other Working Capital Loan	-	3,700.00	-	3,700.00
	Total	**48,567.58**	**(24,447.44)**	**240.69**	**24,360.83**

Sl. No.	Particulars	Opening balance as at 01/04/ 2019	Financing cash Flows	Non-cash changes	Closing balance as at 31/03/2020
I	**Borrowing - Long Term**				
	1 External commercial borrowing (ECB)	25,722.08	(1,779.21)	149.53	24,092.40
	2 Loan from Oil Industry Development Board (OIDB)	750.00	1,930.00	-	2,680.00
	3 Deferred payment liabilities - VAT Loan	169.24	107.52	(51.20)	225.56
	4 Working capital term loan from banks (ECB)	-	68.18	0.34	68.52
	5 Oil and Natural Gas Corporation Limited (ONGC)	18,856.90	(18,856.90)	-	-
	6 Deferred payment liabilities - CST	618.63	(400.00)	-	218.63
	7 Foreign Currency Term Loan (FCTL)	2,607.20	661.70	189.10	3,458.00
	8 Rupee Term Loan	-	11,999.70	-	11,999.70
	Total	**48,724.05**	**(6,269.01)**	**287.77**	**42,742.81**
II	**Borrowing - Short Term**				
	1 Working capital loan from banks	143.00	2,928.58	-	3,071.58
	2 Foreign Currency Term Loan (FCTL)	16,295.00	42.94	952.06	17,290.00
	3 Buyers Credit & Pre/Post Shipment Export Credit	14,339.60	10,110.65	(244.25)	24,206.00
	4 Commercial Paper	-	4,000.00	-	4,000.00
	Total	**30,777.60**	**17,082.17**	**707.81**	**48,567.58**

The cash flows from bank loans, loans from related parties and other borrowings make up the net amount of proceeds from borrowings and repayments of borrowings in the Statement of Cash Flows.

49 The Company has a periodic system of physical verification of Inventory, Property, Plant and Equipment and capital stores in a phased manner to cover all items over a period. Adjustment differences, if any, is carried out on completion of reconciliation.

50 The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

51 Some balances of trade and other receivables, trade and other payables and loans are subject to confirmation/ reconciliation. Adjustments, if any, will be accounted for on confirmation/reconciliation of the same, which will not have a material impact.

52 The outbreak of COVID-19 pandemic globally and resultant lockdown in many countries, including India from March 25, 2020 has impacted the business of the Company. Consequently lower demand for crude oil and petroleum products has impacted the prices and refining margin globally. Since the petroleum products are under essential services, the refining operations of the Company was continued during the lockdown period**.** Due to lock down there was reduction in sales for the Company. The lock down of COVID-19 is continuing for financial year 2020-21 and the Company is continuing it's operation with current lower demand and margins as these products are falling under essential goods and services. Management is expecting that demand for products will improve on post removal of lock down on stabilisation of COVID-19. Management has assessed the potential impact of COVID 19 based on the current circumstances and expects no significant impact on the continuity of operations of the business on long term basis/ on useful life of the assets/ on long term financial position etc. though there may be lower revenues and refinery throughput in the near future.

53 The Board had accorded consent for amalgamation of the subsidiary ONGC Mangalore Petrochemicals Limited with the Mangalore Refinery and Petrochemicals Limited (MRPL), subject to necessary approvals. The Company had received "No Objection" vide letter dated April 18, 2018 from Ministry of Petroleum & Natural Gas. No effect is considered towards the same in the financial statements as it is still at a preliminary stage.

54 Figures in parenthesis as given in these notes to financial statements relate to previous years. Previous year figures have been regrouped wherever required.

55 **Approval of financial statements**

The financial statements were approved for issue by the board of directors on June 9, 2020.

INDEPENDENT AUDITOR'S REPORT

To the Members of

MANGALORE REFINERY AND PETROCHEMICALS LTD

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of MANGALORE REFINERY AND PETROCHEMICALS LIMITED (hereinafter referred to as the "Holding Company") and its subsidiary ONGC MANGALORE PETROCHEMICALS LIMITED (Holding Company and its subsidiary together referred to as "the Group"), and its jointly controlled entity, SHELL MRPL AVIATION FUELS AND SERVICES LIMITED, which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its jointly controlled entity as at March 31, 2020, of consolidated Loss (including other comprehensive income), consolidated Changes in Equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act,2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group and its jointly controlled entity in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw your attention to Note no.52 to the Consolidated Financial Statements which describes the uncertainties due to outbreak of novel coronavirus (COVID-19) that has caused significant business disruptions worldwide. The extent to which the COVID-19 pandemic will have impact on the Company's financial performance is dependent on future developments which are highly uncertain. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED IT
Inventories	
Inventory consisting of Stock of Raw Materials in the form of crude oil and , Finished Goods and intermediates in the form of petroleum products form a significant portion of the Assets. This year due to the Covid 19 Pandemic the Auditors could not be physically present to inspect at the time of stock taking. Inventory is valued by the management of the Holding company at lower of cost or Net realisable value as given in Note No. 16 to the Financial statements. The Crude oil purchase and petroleum product prices fell sharply as discussed in the note to the financial statements and had to be written down to Realisable value.	We understood and tested the design and operating effectiveness of controls as established by the management in determination and valuation of the inventory. The stocks were physically verified by the Internal auditors of the company and documents relating to the same were examined by test check. We have verified the subsequent sale of inventory on test check basis to confirm the existence and valuation of inventory and performed rollback procedures to confirm the existence of inventory as at March 31 2020. Assessed the appropriateness of the Holding Company's accounting policy for valuation of inventory and compliance of the policy with the requirements of the prevailing accounting standard INDAS 2 and the actual cost determination was done correctly and considered various factors including the actual selling price prevailing around and subsequent to the year-end to ensure that the Realisable value was estimated correctly. Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value the inventory was written down. Reviewed the management judgement applied in calculating the value of inventory taking into account the subsequent selling price and management assessment of the present and future demand for the inventory. Assessed the adequacy of the relevant disclosure in the notes to the financial statements. Audit risk assessment and sampling were designed to gain assurance on the "Completeness", "Accuracy & Valuation" of financial statement at the assertion level and appropriate audit procedures were adopted.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED IT
Contingent Liabilities, Claims against the company and disputed taxes	
As per Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets, a contingent liability is a possible obligation arising from past events, the outcome of which will be confirmed only on the occurrence or non- occurrence of one or more uncertain future events (Ind AS 37). There are several claims and litigations against the Group which in the judgement of the management would not eventually lead to a liability. Hence no provision is made in the accounts for the year under audit. Should there be an adverse outcome, the Group may be liable to pay the disputed amount which may carry interest and/or penalty as decided by the adjudicating authority/statutory authority/court of law.	As per the standard, once recognized as a contingent liability, an entity should continually assess the probability of the outflow of the future economic benefits relating to that contingent liability. If the probability of the outflow of the future economic benefits changes to more likely than not, then the contingent liability may develop into an actual liability and would need to be recognized as a provision. We have reviewed the list of claims and litigations against the Group and considered the present status and probability of the outflow of the future economic benefits from the available records and taken written representations. Based on the information provided to us, that the contingent liabilities as mentioned in Note No. 46 of the Consolidated Financial Statements fairly reflect the current position and no provision is called for at this stage.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED IT
Deferred Tax Asset	
As per Ind AS 12- Income Taxes, The amounts of income taxes recoverable in future periods in respect of deductible temporary differences and the carry forward of unused tax losses and credits. The reversal of deferred tax assets depends upon the management estimates and future realisable profits which have a degree of uncertainty.	On review of the Deferred Tax Asset the following factors were considered: a. Existence of sufficient taxable temporary difference. b. Convincing other evidence that sufficient taxable profits will be available in the future. Based on the future projections and representations provided to us, the Group's judgement on recoverability of Deferred Tax Asset as mentioned in Note 25 of the Consolidated Financial Statements is fair and reasonable.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report including Annexures to Director's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information but does not include the consolidated financial statements and our auditor's report thereon. The above referred information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged With Governance for the Consolidated Financial Statements.

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance, and consolidated cash flows of the Group including its jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for assessing the ability of the Group and of its jointly controlled entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are also responsible for overseeing the financial reporting process of the Group and of its jointly controlled entity.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated 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 ability of the Group and its jointly controlled entity 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 consolidated 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 Group and its jointly controlled entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its jointly controlled entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements/ financial information of one subsidiary and one jointly controlled entity. The financial statements / financial information reflect total assets of ₹ 72,667.14 Million as at 31st March, 2020, total revenues of ₹ 49,541.70 Million and net cash outflow amounting to ₹ 28.73 Million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 11.58 Million for the year ended 31st March 2020, as considered in the consolidated financial statements, in respect of jointly controlled entity, whose financial statements/financial information have not been audited by us. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and the jointly controlled entity, and our report in terms of sub section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary and jointly controlled entity, is based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. Based on the verification of Records of the Holding Company and based on information and explanations given to us, we give below a report on the Directions issued by the Comptroller and Auditor General of India in terms of Section 143(5) of the Act:

(a) The company processes all the accounting transactions through IT system. As there were no accounting transactions processed outside the IT system for the year ended 31st March 2020 closure, no financial implications arise to impact the integrity of accounts.

(b) There is no 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.

(c) Government grants in the form of interest free loans received from the State Government have been properly accounted and utilized as per terms and conditions. Government grants in the form of export incentives received by the subsidiary company in the form of MEIS scrips have been properly accounted as per the terms and conditions.

For the Subsidiary Company no adverse comments have been made in respect of the above and for the jointly controlled entity no directions have been issued as per the respective audit reports.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated 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) In terms of circular No. GSR 463(E) dated 05th June, 2015 issued by the Ministry of Corporate Affairs, Government of India, the Holding Company being a Government Company is exempt from the provisions of section 164(2) of the Act.

On the basis of the written representations received from the directors of the jointly controlled entity as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of the jointly controlled entity incorporated in India, none of the directors of the jointly controlled entity incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and its jointly controlled entity incorporated in India and the operating effectiveness of such controls, refer to our separate report in **Annexure A**. With regard to Subsidiary and the jointly controlled entity, the reports of the other auditors are taken into account.

(g) In respect of the Holding company and its subsidiary company as per notification number G.S.R. 463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 197 of the Act regarding remuneration to director is not applicable since they are Government Companies.

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entity – Refer Note No. 46 to the consolidated financial statements.

ii. The Group and its jointly controlled entity did not have any material foreseeable losses on long term contracts including derivative contracts; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary company and its jointly controlled entity incorporated in India.

For **S. VENKATRAM & CO. LLP**	For **MANOHAR CHOWDHRY & ASSOCIATES**
Chartered Accountants	Chartered Accountants
Firm Registration Number: 004656S/S200095	Firm Registration Number: 001997S
sd/-	sd/-
C.A. KRISHNAMURTHY M	**C.A. MURALI MOHAN BHAT**
Partner	Partner
Membership no: 083875	Membership no: 203592
UDIN: 20083875AAAAAQ3955	UDIN: 20203592AAAACA4363
Place: Bangalore	Place: Mangalore
Date: 9th June, 2020	Date: 9th June, 2020

Annexure - A to the Independent Auditors' Report

(Referred to in our report of even date)

Report on the Internal Financial Controls with reference to these Consolidated Financial Statements under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to Financial Statements of **MANGALORE REFINERY AND PETROCHEMICALS LIMITED** ("the Holding Company") and its subsidiary **ONGC MANGALORE PETROCHEMICALS LIMITED** and its jointly controlled entity **SHELL MRPL AVIATION FUELS AND SERVICES LIMITED** which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary company and its jointly controlled entity, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these consolidated financial statements of the Holding Company and its subsidiary and its jointly controlled entity, which are companies incorporated in India, 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, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls. 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 with reference to these consolidated financial statements 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 with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these consolidated financial statements, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to these consolidated financial statements of the Company and its subsidiary company and its jointly controlled entity, which are companies incorporated in India.

Meaning of Internal Financial Controls with Reference to the Consolidated Financial Statements

A company's internal financial control with reference to these consolidated financial statements 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 with reference to these consolidated financial statements 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to the Consolidated Financial Statements

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

Other Matters

We did not audit the internal financial controls of the subsidiary and jointly controlled entity. The internal financial controls have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated report on internal financial controls with reference to these consolidated financial statements in so far relates to the information included in respect of the subsidiary and jointly controlled entity, and our report in terms of clause 1 of sub section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and jointly controlled entity, is based solely on the reports of the other auditors.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary company and its jointly controlled entity, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to these consolidated financial statements and those internal financial controls were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S. VENKATRAM & CO. LLP**
Chartered Accountants
Firm Registration Number: 004656S/S200095

sd/-
C.A. KRISHNAMURTHY M
Partner
Membership no: 083875
UDIN: 20083875AAAAAQ3955

Place: Bangalore
Date: 9th June, 2020

For **MANOHAR CHOWDHRY & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 001997S

sd/-
C.A. MURALI MOHAN BHAT
Partner
Membership no: 203592
UDIN: 20203592AAAACA4363

Place: Mangalore
Date: 9th June, 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

A Equity share capital

(All amounts are in ₹ million unless otherwise stated)

Particulars	Amount
Balance as at April 1, 2018	17,526.64
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**17,526.64**
Changes in equity share capital during the year	-
Balance as at March 31, 2020	**17,526.64**

B Other equity

Particulars	Deemed Equity	Reserves and Surplus							Attributable to Equity holders of the Parent	Non controlling Interest	Total
		General Reserve	Capital Redemption Reserve	Securities Premium	Debenture Redemption reserve	Capital Reserve	Retained Earnings	Equity component of compound financial instrument			
Balance as at April 1, 2018	**38.40**	**1,192.00**	**91.86**	**3,467.98**	**-**	**0.07**	**80,017.17**	**-**	**84,807.48**	**1,539.80**	**86,347.28**
Profit for the year	-	-	-	-	-	-	3,400.43	-	3,400.43	112.18	3,512.61
Other Comprehensive Income	-	-	-	-	-	-	(52.64)	-	(52.64)	(6.91)	(59.55)
Total Comprehensive Income	-	-	-	-	-	-	**3,347.79**	**-**	**3,347.79**	**105.27**	**3,453.06**
Addition / (Transfer) during the year	-	-	-	(1.53)	-	-	-	-	(1.53)	1,468.47	1,466.94
Transfer to Debenture Redemption Reserve	-	-	-	-	228.94	-	(116.76)	-	112.18	(112.18)	-
Adjustment in Deemed Equity	3.77	-	-	-	-	-	**-**	**-**	3.77	-	3.77
Appropriation towards final dividend	-	-	-	-	-	-	(5,257.80)	-	(5,257.80)	-	(5,257.80)
Appropriation towards final dividend distribution tax	-	-	-	-	-	-	(1,080.76)	-	(1,080.76)	-	(1,080.76)
Balance as at March 31, 2019	**42.17**	**1,192.00**	**91.86**	**3,466.45**	**228.94**	**0.07**	**76,909.64**	**-**	**81,931.13**	**3,001.36**	**84,932.49**
Profit for the year	-	-	-	-	-	-	(33,529.18)	-	(33,529.18)	(6,862.11)	(40,391.29)
Other Comprehensive Income	-	-	-	-	-	-	(87.33)	-	(87.33)	(1.34)	(88.67)

Total Comprehensive Income	-	-	-	-	-	-	**(33,616.51)**	**-**	**(33,616.51)**	**(6,863.45)**	**(40,479.96)**
Addition / (Transfer) during the year	-	-	-	(2.55)	-	-			(2.55)	2,447.46	2,444.91
Transfer to Debenture Redemption Reserve	-	-	-	-	(228.94)	-	116.76	-	(112.18)	112.18	-
Issue of Compound Financial Instrument	-	-	-	-	-	-	-	3,947.74	3,947.74	3,792.93	7,740.67
Deferred Tax impact on Equity Component of Compound Financial Instrument	-	-	-	-	-	-	-	785.69	785.69	-	785.69
Appropriation towards ?nal dividend	-	-	-	-	-	-	(1,752.60)	-	(1,752.60)	-	(1,752.60)
Appropriation towards ?nal dividend distribution tax	-	-	-	-	-	-	(360.25)	-	(360.25)	-	(360.25)
Balance as at March 31, 2020	**42.17**	**1,192.00**	**91.86**	**3,463.90**	**-**	**0.07**	**41,297.04**	**4,733.43**	**50,820.47**	**2,490.48**	**53,310.95**

As per our report of even date attached

For and on behalf of the Board

For MANOHAR CHOWDHRY & ASSOCIATES
Chartered Accountants
Firm Registration No. : 001997S

sd/-

CA. MURALI MOHAN BHAT
Partner
Membership No. 203592

For S VENKATRAM & CO LLP
Chartered Accountants
Firm Registration No. : 004656S/S200095

sd/-

CA. KRISHNAMURTHY M
Partner
Membership No. 083875

sd/-
M VENKATESH
Managing Director
DIN: 07025342

sd/-
POMILA JASPAL
Director (Finance)
DIN: 08436633

sd/-
DINESH MISHRA
Company Secretary

Place : New Delhi
Date : 09/06/2020

FORM AOC-1

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint venture as on 31.03.2020

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/joint venture

Part "A": Subsidiary

					As at 31.03.2020					For the year 2019-20 (from 1st April 2019 to 31st March 2020)						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Sl. No.	Name of the subsidiary (Indian Company)	The date since when subsidiary was acquired	Reporting period for the subsidiary	Reporting currency and Exchange rate	Share capital	Reserves & surplus	Total assets	Total Liabilities	Details of Investment *	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	Total Comprehensive Income	Proposed Dividend	% of share holding
1	ONGC Mangalore Petrochemicals Limited	February 28, 2015	01.04.2019 to 31.03.2020	INR	25,442.91	(19,596.89)	72,667.14	66,821.12	4.80	48,611.69	(15,119.21)	(1,114.89)	(14,004.32)	(14,007.05)	-	51.00%

* 480,000 Equity Shares of ₹ 10 each of Mangalore SEZ Ltd.

1. Names of subsidiary which are yet to commence operations: Nil

2. Names of subsidiary which have been liquidated during the year 2019-20: Nil

Part "B": Joint Venture

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture

Name of joint Venture	Shell MRPL Aviation Fuels and Services Limited
1. Latest audited Balance Sheet Date	March 31, 2020
2. Date on which the Joint Venture was acquired	March 11, 2008
3. Shares of Joint Venture held by the company on the year end	
i. Number (in million)	15
ii. Amount of Investment in Joint Venture (₹ in million)	150.00
iii. Extent of Holding (in percentage)	50%
4. Description of how there is significant influence	Percentage of holding
5. Reason why the joint venture is not consolidated	NA
6. Networth attributable to shareholding as per latest audited Balance Sheet	286.79
7. Profit or Loss for the year	
i. Considered in Consolidation	7.38
ii. Not Considered in Consolidation	-

1. Names of joint venture which are yet to commence operations: Nil
2. Names of joint venture which have been liquidated or sold during the year 2019-20: Nil

As per our report of even date attached

For and on behalf of the Board

For MANOHAR CHOWDHRY & ASSOCIATES
Chartered Accountants
Firm Registration No. : 001997S

sd/-
CA. MURALI MOHAN BHAT
Partner
Membership No. 203592

For S VENKATRAM & CO LLP
Chartered Accountants
Firm Registration No. : 004656S/S200095

sd/-
CA. KRISHNAMURTHY M
Partner
Membership No. 083875

sd/-
M VENKATESH
Managing Director
DIN: 07025342

sd/-
POMILA JASPAL
Director (Finance)
DIN: 08436633

sd/-
DINESH MISHRA
Company Secretary

Place : New Delhi
Date : 09/06/2020

Schedule-III additional disclosure on Consolidated Financial Statements as on 31st March, 2020

(All amounts are in ₹ million unless otherwise stated)

Name of the entity	Country of incorporation	Net Asset (i.e. Total Asset minus Total Liabilities)		Share in Profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As a % of Consolidated Net Assets	Amount	As a % of Consolidated profit or loss	Amount	As a % of Consolidated other comprehensive income	Amount	As a % of Consolidated total comprehensive income	Amount
1	2	3	4	5	6	7	8	9	10
Parent									
Mangalore Refinery and Petrochemicals Limited	**India**	91.34%	64,704.78	65.35%	(26,394.57)	96.67%	(85.72)	65.41%	(26,480.29)
Subsidiary									
Indian									
ONGC Mangalore Petrochemicals Ltd. (OMPL)	**India**	4.74%	3,355.54	17.68%	(7,142.21)	1.57%	(1.39)	17.65%	(7,143.60)
Non controlling interest in subsidiary		3.52%	2,490.48	16.99%	(6,862.11)	1.51%	(1.34)	16.96%	(6,863.45)
Joint Venture Entity									
Indian									
Shell MRPL Aviation Fuels & Services Limited	**India**	0.40%	286.79	(0.02%)	7.60	0.25%	(0.22)	(0.02%)	7.38
Net		**100.00%**	**70,837.59**	**100.00%**	**(40,391.29)**	**100.00%**	**(88.67)**	**100.00%**	**(40,479.96)**

As per our report of even date attached

For and on behalf of the Board

For MANOHAR CHOWDHRY & ASSOCIATES
Chartered Accountants
Firm Registration No. : 001997S

sd/-

CA. MURALI MOHAN BHAT
Partner
Membership No. 203592

For S VENKATRAM & CO LLP
Chartered Accountants
Firm Registration No. : 004656S/S200095

sd/-

CA. KRISHNAMURTHY M
Partner
Membership No. 083875

sd/-
M VENKATESH
Managing Director
DIN: 07025342

sd/-
POMILA JASPAL
Director (Finance)
DIN: 08436633

sd/-
DINESH MISHRA
Company Secretary

Place : New Delhi
Date : 09/06/2020

CONSOLIDATED BALANCESHEET AS AT MARCH 31, 2020

(All amounts are in ₹ million unless otherwise stated)

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
	ASSETS			
I	**Non-Current Assets**			
	(a) Property, Plant and Equipment	5	192,416.93	196,114.25
	(b) Right-of-Use Assets	6	7,948.52	-
	(c) Capital Work-in-Progress	7	17,459.49	9,952.66
	(d) Investment Property	8	77.96	77.96
	(e) Goodwill (Including Goodwill on Consolidation)	9	3,772.78	3,772.78
	(f) Other Intangible Assets	10	97.93	58.77
	(g) Financial Assets			
	(i)Investments	11	292.95	287.58
	(ii)Loans	12	1,151.03	946.47
	(iii)Other Financial Assets	13	198.57	135.04
	(h) Non-Current Tax Assets (net)	14	1,636.54	2,306.51
	(i) Deferred Tax Assets (net)	25	13,014.62	-
	(j) Other Non-Current Assets	15	8,721.26	14,780.67
	Total Non Current Assets (I)		**246,788.58**	**228,432.69**
II	**Current Assets**			
	(a) Inventories	16	42,322.21	63,086.77
	(b) Financial Assets			
	(i) Trade Receivables	17	10,171.72	23,739.22
	(ii) Cash and Cash Equivalents	18	18.00	46.73
	(iii) Bank Balances other than (ii) above	19	262.15	4,849.44
	(iv) Loans	12	133.19	115.23
	(v) Other Financial Assets	13	6.56	6.49
	(c) Current Tax Assets (net)	14	1,983.14	1,524.30
	(d) Other Current Assets	15	4,733.49	5,861.69
			59,630.46	**99,229.87**
	TOTAL ASSETS (I+II)		**306,419.04**	**327,662.56**
	EQUITY AND LIABILITIES			
I	**Equity**			
	(a) Equity Share Capital	20	17,526.64	17,526.64
	(b) Other Equity	21	50,820.47	81,931.13
	(c) Non Controlling Interest		2,490.48	3,001.36
	Total Equity (I)		**70,837.59**	**102,459.13**
	LIABILITIES			
II	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	22	1,23,777.55	39,357.52
	(ii) Other Financial Liabilities	23	2,130.68	-
	(b) Provisions	24	1,118.80	805.96
	(c) Deferred Tax Liabilities (Net)	25	-	2,501.33
	(d) Other Non-Current Liabilities	27	3,596.15	3,482.11
	Total Non Current Liabilities (II)		**1,30,623.18**	**46,146.92**
III	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	22	35,943.84	83,026.07
	(ii) Trade Payables	26		
	-Total outstanding dues of micro enterprises and small enterprises		368.83	230.30
	-Total outstanding dues of creditors other than micro enterprises and small enterprises		32,396.50	46,702.03
	(iii) Other Financial Liabilities	23	25,637.43	42,005.63
	(b) Other Current Liabilities	27	8,790.50	2,503.16
	(c) Provisions	24	1,821.17	4,589.32
	Total Current Liabilities (III)		**104,958.27**	**179,056.51**
IV	**Total Liabilities (II+III)**		**235,581.45**	**225,203.43**
	TOTAL EQUITY AND LIABILITIES (I+IV)		**306,419.04**	**327,662.56**

See accompanying notes to the consolidated financial statements (1-56)

As per our report of even date attached

For MANOHAR CHOWDHRY & ASSOCIATES
Chartered Accountants
Firm Registration No. : 001997S

sd/-

CA. MURALI MOHAN BHAT
Partner
Membership No. 203592

Place : New Delhi
Date : 09/06/2020

For S VENKATRAM & CO LLP
Chartered Accountants
Firm Registration No. : 004656S/S200095

sd/-

CA. KRISHNAMURTHY M
Partner
Membership No. 083875

For and on behalf of the Board

sd/-
M VENKATESH
Managing Director
DIN: 07025342

sd/-
POMILA JASPAL
Director (Finance)
DIN: 08436633

sd/-
DINESH MISHRA
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in ₹ million unless otherwise stated)

Particulars		Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I.	Revenue from Operations	28	599,800.04	736,990.59
II.	Other Income	29	820.11	1,540.52
III.	**Total Income (I + II)**		**600,620.15**	**738,531.11**
IV.	**Expenses:**			
	Cost of Materials Consumed	30	461,666.18	585,697.71
	Purchases of Stock-in-Trade	31	33,520.79	5,260.88
	Changes in Inventories of Finished Goods and Stock-in-Process	32	12,596.25	(4,173.32)
	Excise Duty on Sale of Goods		97,496.06	102,529.74
	Employee Benefits Expense	33	5,004.30	4,808.10
	Finance Costs	34	12,411.48	10,587.27
	Depreciation and Amortisation Expense	35	10,857.91	10,475.24
	Other Expenses	36	21,062.80	16,686.49
	Total Expenses (IV)		**654,615.77**	**731,872.11**
V.	**Profit/ (Loss) Before Exceptional Items and Tax (III-IV)**		**(53,995.62)**	**6,659.00**
VI.	Exceptional Items (Income)/Expenses (net)	37	-	147.94
VII.	**Share of Profit of Joint Venture**		**11.58**	**2.56**
VIII.	**Profit/ (Loss) Before Tax (V- VI+VII)**		**(53,984.04)**	**6,513.62**
IX.	Tax Expenses:			
	(1) Current Tax	38		
	- Current year		-	1,221.58
	- Earlier years		1,037.36	133.75
	(2) Deferred Tax	25	(14,630.11)	1,645.68
	Total Tax Expenses (IX)		**(13,592.75)**	**3,001.01**
X.	**Profit/ (Loss) for the year (VIII-IX)**		**(40,391.29)**	**3,512.61**
XI.	**Other Comprehensive Income**			
	Items that will not be reclassified to Profit or Loss :			
	(i) Remeasurement of the Defined Benefit Plans		(135.77)	(91.77)
	(ii) Income Tax relating to above	38	47.47	32.06
	Items that will be reclassified to Profit or Loss :			
	(i) Effective portion of gains / (losses) on hedging instruments in cash flow hedges		(0.50)	0.24
	(ii) Income Tax relating to above	38	0.13	(0.08)
	Total Other Comprehensive Income (XI)		**(88.67)**	**(59.55)**
XII.	**Total Comprehensive Income for the year (X+XI)**		**(40,479.96)**	**3,453.06**
XIII.	**Profit / (Loss) for the year attributable to**			
	Owners of the Company		(33,529.18)	3,400.43
	Non Controlling Interest		(6,862.11)	112.18
XIV.	**Other Comprehensive Income for the year attributable to**			
	Owners of the Company		(87.33)	(52.64)
	Non Controlling Interest		(1.34)	(6.91)
XV.	**Total Comprehensive Income for the year attributable to**			
	Owners of the Company		(33,616.51)	3,347.79
	Non Controlling Interest		(6,863.45)	105.27
XVI.	Earnings per Equity Share:	39		
	(1) Basic (in ₹)		(19.13)	1.94
	(2) Diluted (in ₹)		(19.13)	1.94

See accompanying notes to the consolidated financial statements (1-56)
As per our report of even date attached

For MANOHAR CHOWDHRY & ASSOCIATES
Chartered Accountants
Firm Registration No. : 001997S

sd/-
CA. MURALI MOHAN BHAT
Partner
Membership No. 203592

Place : New Delhi
Date : 09/06/2020

For S VENKATRAM & CO LLP
Chartered Accountants
Firm Registration No. : 004656S/S200095

sd/-
CA. KRISHNAMURTHY M
Partner
Membership No. 083875

For and on behalf of the Board

sd/-
M VENKATESH
Managing Director
DIN: 07025342

sd/-
POMILA JASPAL
Director (Finance)
DIN: 08436633

sd/-
DINESH MISHRA
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in ₹ million unless otherwise stated)

	Particulars		Year ended March 31, 2020	Year ended March 31, 2019
A	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Profit / (Loss) After Tax		**(40,391.29)**	**3,512.61**
	Adjustments for :			
	Tax Expense		(13,592.75)	3,001.01
	Share of Profit of Joint Venture		(5.58)	18.44
	Depreciation and Amortisation expense		10,857.91	10,475.24
	Loss/ (profit) on Sale of Property, Plant and Equipment (net)		127.92	80.10
	Liability no longer required written back		(127.54)	(129.90)
	Impairment of doubtful trade receivables & Non Moving Inventories		168.31	73.67
	Exchange Rate Fluctuation (net)		8,287.25	388.64
	Finance Costs		12,411.48	10,587.27
	Interest Income		(275.82)	(1,037.19)
	Dividend Income		(20.03)	(111.53)
	Amortisation of Prepayments		6.68	11.26
	Amortisation of Deferred Government Grant		(187.94)	(178.24)
	Others		(82.57)	17.62
			(22,823.97)	**26,709.00**
	Movements in Working Capital :			
	- (Increase)/ Decrease in Trade and Other Receivables		13,383.98	2,018.42
	- (Increase)/ Decrease in Loans		(220.41)	(347.29)
	- (Increase)/ Decrease in Other Assets		5,519.92	(1,825.29)
	- (Increase)/ Decrease in Inventories		20,752.61	(10,703.13)
	- Increase/ (Decrease) in Trade Payables and Other Liabilities		(12,089.61)	1,586.21
	Cash generated from Operations		**4,522.52**	**17,437.92**
	Income Taxes paid, net of refunds		252.82	(1,034.29)
	Net Cash generated from / (used in) Operations	**(a)**	**4,775.34**	**16,403.63**
B	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Payments for Property, Plant and Equipment		(14,938.22)	(11,927.17)
	Proceeds from disposal of Property, Plant and Equipment		5.74	13.89
	Interest Received		442.70	1,063.25
	Dividend received from Joint Venture		6.00	21.00
	Dividend received from Investments in Mutual Fund		14.03	90.53
	Tax Paid on Interest Income		(16.79)	(62.64)
	Net Cash generated from / (used in) Investing Activities	**(b)**	**(14,486.54)**	**(10,801.14)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds from issue of Equity Share Capital		2,444.91	1,466.95
	Proceeds from Equity Component of Compound Financial Instrument		8,526.36	-
	Proceeds/ Repayment from long term borrowings		61,372.39	(14,354.07)
	Proceeds/ Repayment of short term borrowings		(48,011.78)	20,134.96
	Payment of Lease Liabilities		(277.69)	-
	Finance Costs Paid		(12,258.87)	(10,868.73)
	Dividends and Dividend Distribution Tax paid on Equity Shares		(2,112.85)	(6,338.56)
	Net Cash generated from / (used in) Financing Activities	**(c)**	**9,682.47**	**(9,959.45)**
	Net Increase / (Decrease) in Cash and Cash Equivalents	**(a+b+c)**	**(28.73)**	**(4,356.96)**
	Cash and Cash Equivalents as at the beginning of the year		**46.73**	**4,403.69**
	Cash and Cash Equivalents as at the end of the year		**18.00**	**46.73**
	Net Change in cash and cash equivalents (Closing - Opening)		**(28.73)**	**(4,356.96)**

1 The above Cash Flows statement prepared under the “Indirect method” as set out in the Ind AS 7 “Statement of Cash Flows”.
2 Brackets indicate Cash outflow/ deduction

See accompanying notes to the consolidated financial statements (1-56)
As per our report of even date attached

For MANOHAR CHOWDHRY & ASSOCIATES
Chartered Accountants
Firm Registration No. : 001997S

sd/-

CA. MURALI MOHAN BHAT
Partner
Membership No. 203592

Place : New Delhi
Date : 09/06/2020

For S VENKATRAM & CO LLP
Chartered Accountants
Firm Registration No. : 004656S/S200095

sd/-

CA. KRISHNAMURTHY M
Partner
Membership No. 083875

For and on behalf of the Board

sd/-
M VENKATESH
Managing Director
DIN: 07025342

sd/-
POMILA JASPAL
Director (Finance)
DIN: 08436633

sd/-
DINESH MISHRA
Company Secretary

Notes to the consolidated financial statement for period ended March 31, 2020

1. Corporate information

Mangalore Refinery and Petrochemicals Limited ('MRPL' or 'the Company') is a Central Public Sector Enterprise domiciled and incorporated in India having its registered office at Mudapadav, Kuthethoor P.O. via Katipalla, Mangaluru, Karnataka - 575030. The Company's equity shares are listed and traded on BSE Limited and National Stock Exchange Limited, stock exchanges. The Company is a subsidiary of Oil and Natural Gas Corporation Limited which holds 71.63% equity shares.

The Company and its Subsidiary (collectively referred as "the Group") and Joint Venture are mainly engaged in the business of refining of crude oil, petrochemical business, trading of aviation fuels and distribution of petroleum products through retail outlet and transport terminal.

2. Application of new and revised Indian Accounting Standards

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the Consolidated Financial Statements are authorized have been considered in preparing these Consolidated Financial Statements.

As on the reporting date, there were no new Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs (MCA) which would have been applicable from April 1, 2020.

3. Significant Group Accounting Policies

3.1. Statement of Compliance

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

3.2. Basis of Preparation

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values / amortized cost / net present value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

The Consolidated Financial Statements are presented in Indian Rupee and all values are rounded to the nearest two decimal million except otherwise stated.

Fair Value measurement.

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

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

(a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the Assets or Liabilities.

(c) Level 3 inputs are unobservable inputs for the Assets or Liabilities reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants.

3.3. Basis of Consolidation

The Consolidated Financial Statements incorporate the Financial Statements of the Company and its Subsidiary (collectively referred as "the Group"). The Company has Investments in Joint Venture which are accounted using equity method in these Consolidated Financial Statements. Refer note 3.6 for the accounting policy of investment in Joint Venture in the Consolidated Financial Statements.

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed, or rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date of their acquisition, being the date on which the Company obtains control and continue to be consolidated until the date that such control ceases.

The Consolidated Financial Statements are prepared using uniform accounting policies consistently for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's standalone financial statements except otherwise stated. When necessary, adjustments are made to the Financial Statements of subsidiary to bring their accounting policies into line with the Group's Significant Accounting Policies.

The Consolidated Financial Statements have been prepared by combining the Financial Statements of the Company and its subsidiary on a line-by-line basis by adding together the book values of like items of Assets, Liabilities, Equity, Income, Expenses and Cash Flow after eliminating in full intra-group Assets, Liabilities, Equity, Income, Expenses and Cash Flow relating to intra-group transactions and unrealized profits. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Such unrealized profits/losses are fully attributed to the company.

Profit or loss and each component of Other Comprehensive Income are attributed to the owners of the Company and to the non-controlling interests. Total Comprehensive Income is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in Subsidiary that do not result in the Group losing control over the Subsidiary are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the Subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in Equity and attributed to the owners of the Company.

When the Group loses control of a Subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the Subsidiary and any non-controlling interests. All amounts previously recognised in Other Comprehensive Income in relation to that Subsidiary are accounted for as if the Group had directly disposed of the related Assets or Liabilities of the Subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former Subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, the cost on initial recognition of an Investment in an Associate or a Joint Venture, when applicable.

3.4. Business Combinations

The acquisition method of accounting is used to account for business combination by the Group. In this method, acquiree's identifiable Assets, Liabilities and Contingent Liabilities that meet condition for recognition are recognized at their fair values at the acquisition date. Non-controlling interest is measured at proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable Assets acquired and the Liabilities assumed.

Any excess of the Group's share of the net fair value of the identifiable Assets and Liabilities over the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) cost of the investment, after reassessment, is recognised directly in Equity as capital reserve in the period in which the investment is acquired. The transaction costs incurred in connection with business combination are recognised in the Consolidated Statement of Profit and Loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in Other Comprehensive Income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed off.

3.5. Non-Controlling Interests

Non-controlling interests are present ownership interests that entitle their holders to a proportionate share of the Group's net assets in the event of liquidation. Non-controlling interests are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of the interest at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

3.6. Investments in Joint Ventures

A Joint Venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and Assets and Liabilities of Joint Venture are incorporated in the Consolidated Financial Statements using the equity method of accounting. Under the equity method, an Investment in a Joint Venture is initially recognised in the Consolidated Balance Sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and Other Comprehensive Income of the Joint Venture. Distributions received from a Joint Venture reduce the carrying amount of the investment. When the

Group's share of losses of a Joint Venture exceeds the Group's interest in that Joint Venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the Joint Venture.

If a Joint Venture uses accounting policies other than those of the Group accounting policies for like transactions and events in similar circumstances, adjustments are made to make the Joint Venture's accounting policies conform to those of the Group's before applying the equity method.

An Investment in a Joint Venture is accounted for using the equity method from the date on which the investee becomes a Joint Venture. On acquisition of the Investment in Joint Venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable Assets and Liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the Investment. Any excess of the Group's share of the net fair value of the identifiable Assets and Liabilities over the cost of the Investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the Investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net Investment in a Joint Venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then Group recognise impairment loss with respect to the Group's Investment in a Joint Venture. When necessary, the entire carrying amount of the Investment (including Goodwill) is tested for impairment in accordance with Ind AS 36 'Impairment of Assets' as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be a Joint Venture, or when the investment is classified as held for sale. When the Group retains an interest in the former Joint Venture and the retained interest is a Financial Asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109 'Financial Instruments'. The difference between the carrying amount of the Joint Venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the Joint Venture is included in the determination of the gain or loss on disposal of the Joint Venture. In addition, the Group accounts for all amounts previously recognised in Other Comprehensive Income in relation to that Joint Venture on the same basis as would be required if that Joint Venture had directly disposed of the related Assets or Liabilities. Therefore, if a gain or loss previously recognised in other Comprehensive Income by that Joint Venture would be reclassified to profit or loss on the disposal of the related Assets or Liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in a Joint Venture becomes an Investment in an Associate. There is no re-measurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in a Joint Venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in Other Comprehensive Income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related Assets or Liabilities.

When a group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the Joint Venture are recognised in the Group's Consolidated Financial Statements only to the extent of interests in Joint Venture that are not related to the Group.

3.7. Goodwill including Goodwill on consolidation

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to Group's Cash Generating Units (or groups of Cash Generating Units) that is expected to benefit from the synergies of the combination.

A Cash Generating Unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the Cash Generating Unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant Cash Generating Unit, the attributable amount of goodwill is included in the determination of the profit or loss.

3.8. Non-Current Assets held for Sale

Non-Current Assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-Current Assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject to terms that are usual and customary for sales of such assets.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, Plant and Equipment and Intangible Assets are not depreciated or amortized once classified as held for sale.

3.9. Revenue Recognition

3.9.1. Revenue from sales of goods and services are recognized upon the satisfaction of a single performance obligation, which occurs when control transfers to the customer. Control of the goods is determined to be transferred to the customer when the title of goods passes to the customer, which typically takes place when product is physically transferred into a vessel, pipeline or other delivery mechanism. In respect of revenue contracts for goods which provide for provisional pricing (wherever applicable) at the time of shipment, the final price adjustment if any will be given effect in the period in which it is finalised/ settled.

3.9.2. Revenue is measured at the transaction price of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, GST and sales tax. Any retrospective revision in prices is accounted for in the year of such revision.

3.9.3. Price Reduction Schedule (PRS) for delay in execution of contracts/supplies are accounted for as per the terms of the contracts/ agreement. The PRS amount would be recognised as income except on account of capital projects wherein the adjustments are carried out to the cost of the asset. The adjustments are carried out prospectively upon finalization.

3.9.4. The Group has entered into take or pay contracts with a customer. In this transaction, revenue is recognised as per the formula laid out in the contract with the customers.

3.9.5. Revenue from sale of scrap is recognised at the point in time when control (transfer of custody of goods) is passed to customers.

3.9.6. Revenue from Export Incentives in the form of duty credit scrips are recognised as revenue as per para 3.13 on Government Grants. The incentive value are recognized initially for expected realizable value and subsequently adjusted for actual realized value in the period when it is actually sold.

3.9.7. Interest income from Financial Assets 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).

3.9.8. For Non –Financial Assets, interest income is recognised on a time proportion basis. Interest Income on refundable taxes/ duties is recognised on receipt basis.

3.9.9. Dividend Income is recognised when the right to receive the dividend is established.

3.9.10. Excise duty is presented as expense in the Statement of Profit and Loss. Excise duty in respect of difference between closing and opening stock of excisable goods is included under "Other Expenses".

3.10. Leases

Effective 1st April 2019, the Group has adopted Ind AS 116 "Leases" using the modified retrospective transition method. Accordingly the Group has not made restatement of comparative information, which are still presented in accordance with Ind AS 17. The new standard defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group has exercised the option not to apply this standard to leases of Intangible Assets.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) The contract involves use of an identified assets

(ii) The company has substantially all the economic benefits from the use of the asset through the period of the lease and

(iii) The company has the right to direct the use of the asset.

Group as a lessee:

At the date of commencement of the lease, the Group recognizes a Right-of-Use Assets (ROU Assets) and a corresponding Lease Liability for all lease contracts / arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and lease of low value assets. For these short-term and low value leases, the Group recognizes the lease payments on straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Right-of-Use Assets and Lease Liabilities include these options when it is reasonably certain that they will be exercised.

The Lease Liability is initially measured at present value of the future lease payments over the reasonably certain lease term. The lease payments are discounted using the interest rate implicit in the lease, if it is not readily determinable, using the incremental borrowing rate. For leases with similar characteristics, the Group, on a lease by lease basis applies either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The Right-of-Use Assets are initially recognized at cost, which comprises the amount of the initial measurement of the Lease Liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.

Subsequently, the Right-of-Use Assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The Right-of-Use Assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of Right-of-Use Assets. The Group applies Ind AS 36 to determine whether a Right-of-Use Asset are impaired and accounts for any identified impairment loss as described in the accounting policy below on “Impairment of Property, Plant and Equipment (PPE), Right of Use Assets (ROU), Intangible Assets other than Goodwill”.

The interest cost on Lease Liability (computed using effective interest rate method) is expensed in the Statement of Profit and Loss unless eligible for capitalization as per accounting policy below on “Borrowing costs”.

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS 116 and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Right-of-Use Assets are derecognized upon completion or cancellation of the lease contract.

Lease liability and Right-of-Use Assets have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as Financing Cash Flows in the Consolidated Statement of Cash Flows.

Lease modification impact is on prospective basis.

3.11. Foreign Currency Transactions

The Group’s Financial Statements are presented in Indian Rupee (₹), which is also its Functional Currency.

Transactions in currencies other than the respective entity's Functional Currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated using closing exchange rate prevailing on the last day of the reporting period.

Exchange difference arising in respect of foreign currency monetary items is recognised in the Consolidated Statement of Profit and Loss either as 'Exchange Rate Fluctuation loss/(gain) (Net) ' or as 'Finance Cost' except for the exchange difference related to long term foreign currency monetary items outstanding as at March 31, 2016, in so far as, they relate to the acquisition of depreciable assets, are adjusted against the cost of such assets and depreciate the said adjustment, over the balance life of asset.

3.12. Borrowing Costs

Borrowing costs consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange rate variation to the extent regarded as an adjustment to interest cost.

Borrowing costs specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Consolidated Statement of Profit and Loss in the period in which they are incurred.

3.13. Government Grants

Government Grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government Grants are recognised in Consolidated Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Specifically, Government Grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a Government loan at a below market rate of interest is treated as a Government Grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

3.14. Employee Benefits

Employee benefits include salaries, wages, provident fund, superannuation fund, gratuity fund, compensated absences, post-employment medical benefits, termination benefits and resettlement allowances.

Defined Contribution Plans

Employee benefit under Defined Contribution Plans comprising of provident fund and superannuation fund are recognized based on the amount of obligation of the Group to contribute to the plan. The same is paid to a Provident Fund Trust authorities and to Life Insurance Corporation of India respectively, which are expensed during the year.

Defined Benefit Plans

Defined Benefit Plans comprising of gratuity, post-retirement medical benefits and other long-term retirement benefits, which are recognized based on the present value of Defined Benefit Obligation and 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 as current employee cost or included in cost of assets as permitted.

Net interest on the net defined liability is calculated by applying the discount rate at the beginning of the period to the net Defined Benefit Liability or Asset and is recognized in the Consolidated Statement of Profit and Loss except those included in cost of assets as permitted.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), are recognised in Other Comprehensive Income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to profit or loss.

The Company contributes all ascertained liabilities with respect to Gratuity to the MRPL's Gratuity Fund Trust (MGFT). Subsidiary Company's gratuity plan is unfunded. Other defined benefit schemes of the Group are un-funded.

The Retirement Benefit Obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from the actuarial calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Short-term Employee Benefits

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

The cost of short-term compensated absences is accounted as under:

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

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

Long-term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a Liability at the present value of the Defined Benefit Obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

Termination Benefits

Premature Retirement on Medical Grounds

The Holding Company has an approved scheme of Premature Retirement on Medical Grounds. Ex-gratia payment equivalent to 60 days emolument for each completed year of service or the monthly emoluments at the time of retirement multiplied by the balance months of service left before normal date of retirement, whichever is less is payable apart from Superannuation Benefits.

Scheme for Self-Insurance for providing lump-sum monetary compensation

Under the scheme of 'Post Retirement Benefit and Benefit on Separation', in case of employee suffering death or permanent total disablement due to an accident arising out of and in the course of employment, a compensation equivalent to 100 months Basic Pay plus Dearness Allowance (DA) without laying down any minimum amount is payable.

Benefits of Separation under SABF

` In case of death / permanent disablement of an employee while in service in the Holding Company, the beneficiary has to exercise desired options available within 6 months from the date of death / permanent total disablement.

The Liabilities for Defined Benefit Plans (other than Termination Benefits) are recognized on the basis of actuarial valuation and charged to Consolidated Statement of Profit and Loss. Termination Benefits are charged to Consolidated Statement of Profit and Loss as and when incurred.

3.15. Taxation

Tax Expense represents the sum of the Current Tax and Deferred Tax.

(i) Current Tax

The tax currently payable is based on Taxable Profit for the year. Taxable Profit differs from 'Profit Before Tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's Current Tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred Tax

Deferred Tax is recognised on temporary differences between the carrying amounts of Assets and Liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred Tax Liabilities are generally recognised for all taxable temporary differences. Deferred Tax Assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

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

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

The measurement of Deferred Tax Liabilities and Assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its Assets and Liabilities.

Deferred Tax Assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as Deferred Tax Asset in the Consolidated Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

Current and deferred tax for the year

Current and Deferred Tax are recognised in Consolidated Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in Equity respectively.

3.16. Property, Plant and Equipment (PPE) and Right of Use Assets (ROU)

Land and Buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and Accumulated impairment losses if any. Freehold Land is not depreciated.

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

PPE are stated at cost less accumulated depreciation and accumulated impairment losses if any.

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

Depreciation is provided on the cost of PPE (other than freehold land and properties under construction) less their residual values over their useful lives, using Straight Line Method, over the useful life of component of various assets as specified in Schedule II to the Companies Act, 2013, except in case of certain components of the Plant and Equipment/other assets whose useful lives are determined based on technical evaluation and the useful life considered under Group's policy for the employee's vehicle and furniture scheme.

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

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

Stores and Spares which qualifies as Property, Plant and Equipment for specific machinery are capitalised.

Major capital spares are capitalised as Property, Plant and Equipment. Depreciation on such spares capitalised as Property, Plant and Equipment are depreciated over the period starting when it is brought into service and continuing over the shorter of its useful life and the remaining expected useful life of the asset to which it relates and written down value of the spare is charged to the Consolidated Statement of Profit and Loss as and when replaced.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding ₹ 5,000/- (other than Group purchase scheme for employees) which are fully depreciated at the time of addition.

Estimated useful lives of the Assets are as follows:

Sl. No.	**Particulars**	**Useful lives (in years)**
1.	Buildings	1-60
2.	Plant and Equipment – Catalysts	2-10
3.	Plant and Equipment – Computers	3-7
4.	Plant and Equipment – Continuous Process Plant not covered under Specific Industries (Triple shift)	7.5
5.	Plant and Equipment – Electrical/ Lab/ Canteen/ School	10
6.	Plant and Equipment – Instrumentation items/ DCS/ Hospital/ Others	15
7.	Plant and Equipment – Refinery Assets	25
8.	Plant and Equipment – Process Plant	25-30
9.	Plant and Equipment – Pipelines/ SPM/ Offshore Component/ Civil Structure	30
10.	Plant and Equipment – Power Plant	40
11.	Railway Siding	15
12.	Plant and Equipment – Others	3-15
13.	Office Equipment	3-15
14.	Furniture and Fixtures	3-10
15.	Vehicles	4-15

An item of Property, Plant and Equipment is derecognised upon disposal, replacement, deduction, reclassification or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the Asset and is recognised in Consolidated Statement of Profit and Loss.

Right-of-Use Assets are depreciated on a straight line basis over the lease term or useful life of the underlying asset, whichever is lower.

3.17. Intangible Assets

3.17.1. Intangible Assets other than Goodwill

Intangible Assets with finite useful lives that are acquired separately are carried at cost less Accumulated amortisation and Accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible Assets with indefinite useful lives that are acquired separately are not subject to amortization and are carried at cost less accumulated impairment losses if any.

Expenditure on internally generated intangibles, excluding development costs, is not capitalized and is reflected in Consolidated Statement of Profit and Loss in the period in which such expenditure is incurred. Development costs are capitalized if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the Asset and the costs can be measured reliably.

3.17.2. Derecognition of Intangible Assets

An Intangible Asset is derecognised on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an Intangible Asset, measured as the difference between the net disposal proceeds and the carrying amount of the Asset, and are recognised in Consolidated Statement of Profit and Loss when the Asset is derecognised.

3.17.3. Useful lives of Intangible Assets

Estimated useful lives of the Intangible Assets are as follows:

SI. No.	Particulars	Useful lives (in years)
1.	Computer Software	3-10
2.	Licence and Franchise	3

3.18. Impairment of Property, Plant and Equipment (PPE), Right of Use Assets (ROU), Intangible Assets other than Goodwill

The Group reviews the carrying amounts of its Intangible Assets and Property, Plant and Equipment (including Capital Works-in-Progress) and Right-of-Use Assets of a “Cash Generating Unit” (CGU) at the end of each reporting period to determine whether there is any significant indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the Cash Generating Unit to which the Asset belongs.

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

If the recoverable amount of an Asset (or Cash Generating Unit) is estimated to be less than its carrying amount, the carrying amount of the Asset (or Cash Generating Unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss.

An assessment is made at the end of each reporting period as to see if there are any indications that impairment losses recognized earlier may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset’s recoverable amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation / amortization, had no impairment loss been recognized for the asset in prior years.

After a reversal, the depreciation / amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognized in the Consolidated Statement of Profit and Loss.

3.19. Consolidated Statement of Cash Flow

Consolidated Statement of Cash Flows are reported using the indirect method, whereby Profit After Tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with Investing or Financing Activities. The Cash Flows are segregated into Operating, Investing and Financing Activities.

3.20. Earnings Per Share (EPS)

Basic Earnings per Share are calculated by dividing the Net Profit or Loss for the period attributable to Equity Shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of Equity Shares outstanding during the period.

For the purposes of calculating Diluted Earnings per Share, the Net Profit or Loss for the period attributable to Equity Shareholders and the weighted average number of Shares outstanding during the period are adjusted for the effect of all dilutive potential Equity Shares.

3.21. Inventories

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

Raw Materials	On First In First Out (FIFO) basis.
Finished Goods	At Raw material and Conversion cost
Stock-in-Trade	On Weighted Average Cost basis
Stock-in-Process	At Raw Material and Proportionate Conversion Cost
Stores and Spares	On Weighted Average Cost basis

Raw Materials are not written down below cost except in case where their prices have declined subsequently and it is estimated that the cost of the finished goods will exceed their net realizable value.

Excise duty on finished stocks lying at manufacturing location is provided for at the assessable value based on applicable duty.

Customs duty on Raw Materials lying in bonded warehouse is provided for at the applicable rates.

Obsolete, Slow Moving, Surplus and Defective Stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

3.22. Provisions, Contingent Liabilities, Contingent Assets and Commitments

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of time value of money is material, provisions are discounted using an appropriate pre-tax discount rate. When discounting is used, the increase in provision due to passage of time is recognized as a Finance Cost.

Contingent Assets are disclosed in the Consolidated Financial Statements by way of Notes to Accounts when an inflow of economic benefits is probable.

Contingent Liabilities are disclosed in the Consolidated Financial Statements by way of Notes to Accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Capital and Other Commitments disclosed are in respect of items which in each case are above the threshold limit.

3.23. Financial Instruments

Financial Assets and Financial Liabilities are recognised when Group becomes a party to the contractual provisions of the instruments.

Financial Assets and Financial Liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets and Financial Liabilities (other than Financial Assets and Financial Liabilities at fair value through profit or loss) are added to or deducted from the fair value of the Financial Assets or Financial Liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of Financial Assets or Financial Liabilities at fair value through profit or loss are recognised immediately in Consolidated Statements of Profit and Loss.

3.24. Financial Assets

All recognised Financial Assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the Financial Assets.

(i) Cash and Cash Equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be Cash Equivalents. Cash and Cash Equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets at Amortised Cost

Financial Assets are subsequently measured at amortised cost using the effective interest rate method if these Financial Assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

(iii) Financial Assets at Fair value through Other Comprehensive Income

Financial Assets are measured at fair value through Other Comprehensive Income if these Financial Assets are held within a business whose objective is achieved by both selling Financial Assets and collecting contractual cash flows, the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

(iv) Financial Assets at Fair value through Profit or Loss

Financial Assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through Other Comprehensive Income.

After initial measurement, any fair value changes including any interest income, impairment loss and other net gains and losses are recognized in the Consolidated Statement of Profit and Loss.

(v) Equity Investments :

Equity Investments (Other than Subsidiary, Joint Venture (JV) and Associate):

All Equity Investments in the scope of Ind AS 109 are measured at Fair value. Equity Instruments which are held for trading are classified as at FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrecoverable.

(vi) Impairment of Financial Assets

The Group assesses at each Consolidated Balance Sheet date whether a Financial Asset or a group of Financial Assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other Financial Assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the Financial Asset has increased significantly since initial recognition.

(vii) Derecognition of Financial Assets

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

On derecognition of a Financial Asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Consolidated Statement of Profit and Loss.

3.25. Financial Liabilities and Equity Instruments

3.25.1 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received. Incremental costs directly attributable to the issuance of new ordinary equity shares are recognized as a deduction from equity, net of tax effects.

3.25.1.1 Compound Financial Instruments

The component parts of Compound Financial Instruments issued by the Group are classified separately as Financial Liabilities and Equity in accordance with the substance of the contractual arrangements. A conversion option that will be settled by the exchange of a fixed amount of cash or another Financial Asset for a fixed number of the Equity Instruments is an Equity Instrument. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a Liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The conversion option classified as Equity is determined by reducing the amount of the liability component from the fair value of the compound Financial Instrument as a whole. This is recognised and included in Equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in Equity will be transferred to Retained Earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option. Transaction costs that relate to the issue of the convertible notes are allocated to the Liability and Equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the Equity component are recognised directly in Equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

3.25.2 Financial Liabilities

a) Financial Guarantee

When the Group receives Financial Guarantee from its Holding Company, initially it measures guarantee fees at the fair value. The Group records the initial fair value of fees for Financial Guarantee received as "Deemed Equity" from Holding Company with a corresponding asset recorded as prepaid guarantee charges. Such deemed equity is presented under the head 'Other Equity' in the Balance Sheet. Prepaid guarantee charges are recognized in Consolidated Statement of Profit and Loss over the period of Financial Guarantee received.

b) Financial Liabilities subsequently measured at Amortised Cost

Financial Liabilities are measured at Amortised Cost at the end of subsequent accounting periods. The carrying amounts of Financial Liabilities that are subsequently measured at amortised cost are determined based on the Effective Interest Rate method ("EIR"). Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance Costs' line item.

c) Derecognition of Financial Liabilities

The Group derecognises Financial Liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the Financial Liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

3.26. Insurance Claims

In case of total loss of asset, on intimation to the insurer, either the carrying cost of the asset or insurance value (subject to deductible excess) whichever is lower is treated as claims recoverable from insurance company. In case insurance claim is less than the carrying cost of the asset, the difference is charged to Consolidated Statement of Profit and Loss.

In case of partial or other losses, expenditure incurred / payments made to put such assets back into use, to meet the third party or other liabilities (less deductible excess) if any, are accounted for as claims receivable from insurance company. Insurance Policy deductible excess are expensed in the year in which corresponding expenditure is incurred.

As and when claims are finally received from the insurance company, the difference, if any, between the claim receivable from insurance company and claims received is adjusted to Consolidated Statement of Profit and Loss.

All other claims and provisions are booked on the merits of each case.

3.27. Investment Property

Investment Properties are properties held to earn rentals and/or for capital appreciation. Investment Properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, Investment Properties are measured in accordance with Ind AS 16 requirements for cost model. Free hold Land and Properties under construction are not depreciated.

An Investment Property is derecognized upon disposal or when the Investment Property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the Property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Consolidated Statement of Profit and Loss in the period in which the Property is derecognized.

4. Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

Inherent in the application of many of the Accounting Policies used in preparing the Financial Statements is the need for management to make judgments, estimates and assumptions that affect the reported amounts of Assets and Liabilities, the disclosure of Contingent Assets and Liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of judgments, assumptions and estimation uncertainty in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of Assets and Liabilities within the next financial year, are in respect of useful lives of Property, Plant and Equipment, Employee Benefit Obligations, Provision for Income Tax and measurement of Deferred Tax Assets.

4.1. Critical judgments in applying Accounting Policies

The following are the critical judgements, apart from those involving estimations (Refer note 4.2), that the Management have made in the process of applying the Group's Accounting Policies and that have the significant effect on the amounts recognized in the Consolidated Financial Statements.

(a) Determination of Functional Currency

Currency of the primary economic environment in which the Group operates ("the Functional Currency") is Indian Rupee (₹) in which the Group primarily generates and expends cash. Accordingly, the management has assessed its functional currency to be Indian Rupee (₹).

4.2. Assumptions and key sources of estimation uncertainty

Information about estimates and assumptions that have the significant effect on recognition and measurement of Assets, Liabilities, Income and Expenses is provided below. Actual results may differ from these estimates.

a) **Useful lives of Property, Plant and Equipment and Intangible Assets**

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

b) **Defined Benefit Obligation (DBO)**

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

c) **Provision for Income Tax**

Significant judgements are involved in determining the provision for Income Taxes, including amount expected to be paid/recovered for uncertain tax positions.

d) **Recognition of deferred tax assets**

The extent to which Deferred Tax Assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the Deferred Tax Assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties.

In relation to Subsidiary

Subsidiary Company OMPL, has recognized Deferred Tax Asset on unused tax losses as at March 31, 2020. Company has followed the provisions of Ind AS 12 on "Income Taxes" to recognize the Deferred Tax Asset on unused tax losses.

Company has incurred losses in the past and the recognition of Deferred Tax Asset arising from unused tax losses under such circumstances call for assessment of Company having sufficient taxable temporary difference or convincing other evidence that sufficient taxable profit is available against which the unused tax losses can be utilized. In this respect, Company assessed its future business outlook and forecasted the future available taxable profit on the basis of following and recognized the Deferred Tax Asset on unused tax losses:

- Committed long-term/short-term offtake arrangement for main products
- Long term supply/return-stream arrangement with parent company.
- Market expansion with new products
- Export of by-products
- Projects / measures taken to improve - plant capacity utilization, feed processing and product yield, cost effectiveness in utilities consumption etc.
- Arrangement to buy low cost fuel Natural Gas

e) **Impairment of Investment in Subsidiary**

As at March 31, 2020, the Company has carrying amount of ₹ 17,426.37 million (As at March 31, 2019: ₹ 14,876.28 million) for equity investment made in ONGC Mangalore Petrochemicals Limited (OMPL). OMPL started its operations in the year 2014-15 as a Greenfield project and had incurred losses in earlier financial years resulting in significant reduction in net worth. However, through improved physical performance and various profitability improvement measures, the Company after overcoming initial period challenges.

The management has considered relevant future cash flows, based on assumptions about the future, discounted to their present value. Impairment testing requires long-term assumptions to be made concerning a number of often volatile economic factors such as future market prices, currency exchange rates and future output and discount rate, in order to establish relevant future cash flows.

Based on the aforesaid assessment, the management has concluded that current diminution in the value of investment is due to losses incurred by OMPL is temporary in nature. Accordingly, no impairment exists as at March 31, 2020.

f) Leases

Identifying whether a Contract includes a Lease

The Group enters into hiring/service arrangements for various assets/services. The Group evaluates whether a contract contains a lease or not, in accordance with the principles of Ind AS 116. This requires significant judgments including but not limited to, whether asset is implicitly identified and substantive substitution rights available with the supplier, decision making rights with respect to how the underlying asset will be used, economic substance of the arrangement, etc.

Determining Lease Term (including Extension and Termination Options)

The Group considers the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. Assessment of extension/ termination options is made on lease by lease basis, on the basis of relevant facts and circumstances. The lease term is reassessed if an option is actually exercised. In case of contracts, where the Group has the option to hire and de-hire the underlying asset on some circumstances (such as operational requirements), the lease term is considered to be initial contract period.

Identifying Lease Payments for Computation of Lease Liability

To identify fixed (including in-substance fixed) lease payments, the Group consider the non-operating day rate/standby as minimum fixed lease payments for the purpose of computation of Lease Liability and corresponding Right of Use Assets.

Low Value Leases

Ind AS 116 requires assessment of whether an underlying asset is of low value, if lessee opts for the option of not to apply the recognition and measurement requirements of Ind AS 116 to leases where the underlying asset is of low value. For the purpose of determining low value, the Group has considered nature of assets and concept of materiality as defined in Ind AS 1 and the conceptual framework of Ind AS which involve significant judgment.

Determining Discount Rate for Computation of Lease Liability

For computation of Lease Liability, Ind AS 116 requires lessee to use their incremental borrowing rate as discount rate if the rate implicit in the lease contract cannot be readily determined.

For leases denominated in Group's Functional Currency, the Group considers the incremental borrowing rate to be Corporate Bond Rates for similar rated Organizations.

5 PROPERTY, PLANT AND EQUIPMENT

(All amounts are in ₹ million unless otherwise stated)

Net Carrying Amount	As at March 31, 2020	As at March 31, 2019
Freehold Lands	54.91	17.65
Leasehold Lands **[refer note a below]**	-	271.74
Buildings	4,473.95	4,607.10
Plant and Equipment **[refer note b below]**	185,505.94	190,485.39
Railway Sidings	1,534.70	-
Furniture and Fixtures	277.01	296.77
Vehicles	107.04	112.56
Office Equipment	463.38	323.04
Total	**192,416.93**	**196,114.25**

Gross Carrying Amount	Freehold lands	Leasehold Lands	Buildings	Plant and Equipment	Railway Sidings	Furniture and Fixtures	Vehicles	Office Equipment	Total
Balance as at April 1, 2018	**17.65**	**253.46**	**4,825.02**	**221,354.66**	**-**	**421.18**	**165.23**	**607.93**	**227,645.13**
Additions / Reclassification / Transfer	-	18.28	551.59	7,736.53	-	47.41	9.37	51.90	8,415.08
Disposal / Deduction / Reclassification / Transfer to other heads	-	-	5.71	449.84	-	1.97	8.75	0.74	467.01
Balance as at March 31, 2019	**17.65**	**271.74**	**5,370.90**	**228,641.35**	**-**	**466.62**	**165.85**	**659.09**	**235,593.20**
Additions / Reclassification / Transfer	37.26	-	64.18	5,379.25	1,626.75	33.10	11.10	198.36	7,350.00
Disposal / Deduction / Reclassification / Transfer to other heads	-	271.74	37.26	578.81	-	3.23	0.69	3.85	895.58
Balance as at March 31, 2020	**54.91**	**-**	**5,397.82**	**233,441.79**	**1,626.75**	**496.49**	**176.26**	**853.60**	**242,047.62**

Accumulated depreciation	Freehold lands	Leasehold Lands	Buildings	Plant and Equipment	Railway Sidings	Furniture and Fixtures	Vehicles	Office Equipment	Total
Balance as at April 1, 2018	**-**	**-**	**587.11**	**28,403.04**	**-**	**102.59**	**44.62**	**247.70**	**29,385.06**
Depreciation	-	-	176.69	10,107.49	-	68.57	16.16	89.05	10,457.96
Disposal / Deduction / Reclassification / Transfer to other heads	-	-	-	354.57	-	1.31	7.49	0.70	364.07
Balance as at March 31, 2019	**-**	**-**	**763.80**	**38,155.96**	**-**	**169.85**	**53.29**	**336.05**	**39,478.95**
Depreciation	-	-	160.07	10,226.14	92.05	52.26	16.49	57.63	10,604.64
Disposal / deduction / Reclassification / Transfer to other heads	-	-	-	446.25	-	2.63	0.56	3.46	452.90
Balance as at March 31, 2020	**-**	**-**	**923.87**	**47,935.85**	**92.05**	**219.48**	**69.22**	**390.22**	**49,630.69**

a During the year the Company has adopted Ind AS 116 ‘Leases’ effective April 1, 2019. This has resulted in reclassification of Leasehold Lands to Right-of-Use assets.

b Plant and Equipment include ₹ 39.15 million (As at March 31, 2019 ₹39.15 million) being Company’s share of an asset jointly owned with another company.

5.1 Property Plant and Equipment pledged as security [refer note 22]:

External Commercial Borrowings are secured by first pari passu charge over immovable Property, Plant & Equipment and first ranking pari passu charge over movable Property, Plant & Equipment (including but not limited to Plant and Machinery, Spares, Tools, Furniture, Fixture, Vehicles and all other Movable Property, Plant & Equipment) both present and future.

Working capital borrowings from consortium banks are secured by way of first ranking pari passu charge by way of hypothecation of Company's stocks of Raw Material, Finished Goods, Stock-in-Process, Stores, Spares, Components, Trade receivables, outstanding Money Receivables, Claims, Bills, Contract, Engagements, Securities both present and future and further secured by second ranking pari passu charge over companies movable and immovable property (all Property, Plant & Equipment) both present and future.

Subsidiary Company OMPL has external commercial borrowings and Foreign Currency term loans, which are secured by first pari passu charge over immovable Property, Plant and Equipment. Working capital loan from a bank is secured by way of hypothecation of Company's current assets both present and future and second pari passu charge over immovable Property, Plant and Equipment.

5.2 Foreign exchange differences capitalised

Additions to Property, Plant and Equipment includes ₹ 702.71 million (For the year ended March 31, 2019 ₹ 2,147.04 million) in relation to foreign exchange differences. Asset class wise addition details are disclosed below:

Year	As at March 31, 2020	As at March 31, 2019
Buildings	-	13.97
Plant and Equipment	702.71	2,133.07
Total	**702.71**	**2,147.04**

5.3 The Company was eligible for certain economic benefits such as exemptions from entry tax, custom duty etc. on import/local purchase of capital goods in earlier years. The Company had accounted benefits received for custom duty and entry tax on purchase of Property, Plant and Equipment as Government grants. The Company had adjusted the cost of Property, Plant and Equipment as at April 1, 2017 and credited deferred Government grant amounting to ₹ 3,618.21 million. The deferred Government grant is amortised over the remaining useful life of the Property, Plant and Equipment.

6 Right-of-Use Assets

Net Carrying Amount [refer note 6.1 below]	As at March 31, 2020	As at March 31, 2019
Leasehold lands **[refer note 6.2 and 6.3 below]**	5,360.49	-
Buildings	249.60	-
Others (Right of Use of Assets)	2,338.43	-
Total	**7,948.52**	**-**

Gross Carrying Amount	Leasehold Lands	Buildings	Others (Right of Use of Assets)	Total
Balance as at April 1, 2019	**5,470.80**	**288.05**	**2,391.71**	**8,150.56**
Additions	11.96	-	41.55	53.51
Adjustment for Remeasurement/ Completion of Lease Contract	-	-	6.26	6.26
Balance as at March 31, 2020	**5,482.76**	**288.05**	**2,439.52**	**8,210.33**

Accumulated depreciation	Leasehold Lands	Buildings	Others (Right of Use of Assets)	Total
Balance as at April 1, 2019	**-**	**-**	**-**	**-**
Additions	122.27	38.45	106.01	266.73
Adjustment for Remeasurement/ Completion of Lease Contract	-	-	(4.92)	(4.92)
Balance as at March 31, 2020	**122.27**	**38.45**	**101.09**	**261.81**

6.1 During the year the Company has adopted Indian Accounting Standard (Ind AS) - 116 'Leases' effective from April 1, 2019 using modified retrospective transition method. The Lease Liability and Right-of-Use Asset has been recognized for ₹ 2,438.82 million and ₹ 8,150.56 million respectively (As at March 31, 2019 was ₹ Nil as Ind AS 116 was not applicable during that period) **[refer note 5 (a), 7.1, 15.1 and 15.5]**.

6.2 Includes leasehold lands where the ownership will be transferred to the Company at the end of the lease period. These leasehold lands are not depreciated.

6.3 Right-of-Use Assets includes land amounting to ₹ 1,305.60 million, which is in possession of the Company towards which formal lease deeds are yet to be executed **[refer note 7.1].**

6.4 An amount of ₹ 43.02 million (As at March 31, 2019 ₹Nil) for depreciation charged to Right-of-Use Asset has been capitalized as component of cost of Capital Work-in-Progress (CWIP) **[refer note 7.4]**

6.5 Application of Indian Accounting Standard (Ind AS) - 116 'Leases' has resulted in net decrease in Profit Before Tax (PBT) by ₹ 53.16 million (Increase in depreciation expenses and finance cost by ₹ 223.71 million and ₹ 92.86 million respectively and decrease in other expenses by ₹ 263.41 million).

7 Capital Work-in-Progress (CWIP)

Particulars	As at March 31, 2020		As at March 31, 2019	
Leasehold land [**refer note 7.1 below**]		-		717.31
Buildings		249.97		184.28
Plant and Equipment		16,215.07		6,894.43
Railway Sidings		-		1,654.53
Computer Software		15.48		27.47
Project expenditure pending allocation:				
Employee Benefits Expense	300.29		281.99	
Finance costs [**refer note 7.2 and 7.3 below**]	621.90		268.53	
Depreciation expense [**refer note 7.4 below**]	43.02		-	
Other expenses	47.74		154.08	
Less: Allocated/ Adjusted during the year	33.98	978.97	229.96	474.64
Total		**17,459.49**		**9,952.66**

7.1 Leasehold land of previous year includes land, which is in possession of the Company towards which formal lease deeds are yet to be executed. The same has been reclassified as Right-of-Use Assets.

7.2 Additions to CWIP includes borrowing costs amounting to ₹ 366.61 million (For the year ended March 31, 2019 ₹ 232.47 million) and allocated / will be allocated to different class of assets. The rate used to determine the amount of borrowing costs eligible for capitalisation was 7.80% (For the year ended March 31, 2019 was 7.69%) which is the effective interest rate on borrowings.

7.3 An amount of ₹ 101.60 million (As at March 31, 2019 ₹ Nil) towards Finance cost on lease liability has been capitalized as a component of cost of Capital Work-in-Progress (CWIP).

7.4 An amount of ₹ 43.02 million (As at March 31, 2019 ₹ Nil) towards depreciation charged to Right-of-Use Asset has been capitalized as a component of cost of Capital Work-in-Progress (CWIP).

7.5 Includes loan availed against OIDB, which is secured by way of first ranking pari passu charge by way of hypothecation / mortgage only on Property, Plant & Equipment / projects financed out of loan proceeds of OIDB [**refer note 22.3.2].**

8 Investment Property

Net Carrying amount:	As at March 31, 2020	As at March 31, 2019
Freehold land	77.96	77.96
Total	**77.96**	**77.96**

Gross Carrying Amount	Amount
Balance as at April 1, 2018	**77.96**
Additions	-
Disposal / Deduction/ Reclassification / Transfer to other heads	-
Balance as at March 31, 2019	**77.96**
Additions	-
Disposal / Deduction/ Reclassification / Transfer to other heads	-
Balance as at March 31, 2020	**77.96**

Accumulated depreciation and impairment		Amount
Balance as at April 1, 2018		**-**
Depreciation		-
Disposal / Deduction/ Reclassification / Transfer to other heads	**-**	
Balance as at March 31, 2019		**-**
Depreciation		-
Disposal / Deduction/ Reclassification / Transfer to other heads	**-**	
Balance as at March 31, 2020		**-**

8.1 Includes land measuring 102.31 acres is held for capital appreciation.

8.2 There is no contractual obligation to purchase, construct or develop investment property.

8.3 The net amount recognised in the Statement of Profit and Loss for investment property for current year is ₹ Nil (Year ended March 31, 2019 ₹ Nil).

8.4 No Right-of-Use Asset has been included in the investment property as given above.

8.5 The best evidence of fair value is current prices in an active market for similar properties.

8.6 The Company has considered the fair value of the freehold land amounting to ₹ 255.80 million as at March 31, 2020 (as at March 31, 2019 ₹ 255.80 million) based on the valuation carried out by independent valuer report dated April 30, 2018. Taking the present condition due to COVID-19 the fair valuation of the Investment property couldn't be carried out and the management is of the opinion that the fair value considered on April 30, 2018 will be considered for March 31, 2020.

9 Goodwill

9.1

Particulars	Amount
Balance as at April 1, 2018	**4.04**
Impairment	**-**
Balance as at March 31, 2019	**4.04**
Impairment	**-**
Balance as at March 31, 2020	**4.04**

9.2 Goodwill represents excess of consideration paid over net assets acquired for acquisition of nitrogen plant.

9.3 Goodwill on consolidation

Particulars	As at March 31, 2020	As at March 31, 2019
Goodwill on consolidation	**3,768.74**	**3,768.74**
Total Goodwill (9.1+9.3)	**3,772.78**	**3,772.78**

10 Other Intangible Assets

Net Carrying Amount	As at March 31, 2020	As at March 31, 2019
Computer Software	61.08	58.77
License and Franchise	36.85	-
Total	**97.93**	**58.77**

Gross Carrying Amount	Computer Software	License and Franchise	Total
Balance as at April 1, 2018	**152.18**	**-**	**152.18**
Additions	19.79	-	19.79
Disposal / Deduction / Reclassification / Transfer to other heads	-	-	-
Balance as at March 31, 2019	**171.97**	**-**	**171.97**
Additions	19.19	49.53	68.72
Disposal / Deduction / Reclassification / Transfer to other heads			-
Balance as at March 31, 2020	**191.16**	**49.53**	**240.69**

Accumulated amortisation	Computer Software	License and Franchise	Total
Amortisation	17.28	-	17.28
Disposal / Deduction / Reclassification / Transfer to other heads	-	-	-
Balance as at March 31, 2019	**113.20**	**-**	**113.20**
Amortisation	16.88	12.68	29.56
Disposal / Deduction / Reclassification / Transfer to other heads	-	-	-
Balance as at March 31, 2020	**130.08**	**12.68**	**142.76**

10.1 There are no internally generated intangible assets.

11 Investments

11.1 Investments in Equity Instruments

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number in million	Amount	Number in million	Amount
Unquoted Investments (all fully paid up)				
(i) Investments (at fair value)				
(a) Mangalore SEZ Limited				
(Face value of ₹ 10 per share)	0.48	4.80	0.48	4.80
(b) Mangalam Retail Services Limited				
(Face value of ₹ 10 per share)	0.02	0.28	0.02	0.28
(ii) Investment in Joint Venture (Equity method)				
Shell MRPL Aviation Fuels and Services Limited				
(Face value of ₹ 10 per share)	15.00	287.87	15.00	282.50
Total		**292.95**		**287.58**

Aggregate carrying value of unquoted investments	292.95	287.58
Aggregate amount of impairment in value of investments	-	-

11.1.1 Details of Investments

Name of Company	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest/ voting rights held by the Company	
			As at March 31, 2020	As at March 31, 2019
(a) Mangalore SEZ Limited	Developer of Special Economic Zone	India	0.96%	0.96%
(b) Mangalam Retail Services Limited (MRSL)	Distribution of petroleum products through retail outlet and transport terminal	India	18.98%	18.98%

11.1.2 Subsidiary Company OMPL investment in Mangalore SEZ Limited is initially recognised at cost and subsequently measured at fair value through profit or loss. The management of subsidiary Company has considered the fair value (level 3 hierarchy) of such investment equivalent to the carrying amount at each reporting period.

11.1.3 The investment in MRSL has been measured at fair value through profit or loss. The management has considered the fair value (level 3 hierarchy) of such investment equivalent to the carrying amount as at reporting period.

11.1.4 Details of Joint Venture

Name of Joint Venture	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest/ voting rights held by the Company	
			As at March 31, 2020	As at March 31, 2019
Shell MRPL Aviation Fuels and Services Limited	Trading of aviation fuels	India	50.00%	50.00%

Refer Note 3.6 for method followed for accounting of investment in joint venture.

12 Loans

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
(a) Security Deposits (Unsecured, considered good)				
With related Party	44.17	-	31.21	3.59
With vendors	156.58	4.51	144.26	3.81
	200.75	**4.51**	**175.47**	**7.40**
(b) Loans to employees				
Secured, considered good	948.11	121.53	770.33	96.47
Unsecured, considered good	-	6.91	-	11.21
Credit impaired				
- Loans which are credit impaired	-	0.69	-	0.81
Less: Impairment for doubtful loans	-	0.69	-	0.81
	948.11	**128.44**	**770.33**	**107.68**
c) Loans to directors and other officers (Secured, considered good)	**0.58**	**0.09**	**0.67**	**0.15**
(d) Loans to Customers (Secured, considered good) **[refer note 12.1 below]**	**1.59**	**0.15**	**-**	**-**
Total	**1,151.03**	**133.19**	**946.47**	**115.23**

12.1 Company has policy of providing financial assistance to Schedule Caste / Schedule Tribe category dealers for Retail Outlets under the Corpus Fund Scheme (CFS). Under this scheme upon written request seeking working capital loan / assistance by dealer, the company provides working capital loan for a full cycle of operation (equivalent to seven days sales volume) of the dealer. This working capital loan as well as the interest at the specified rate thereon will be recovered in hundred equal monthly installments from the thirteenth month of commissioning of the dealer operated Retail Outlet.

13 Other Financial Assets

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
(a) Security Dep				
(Secured, considered good unless otherwise stated)				
(a) Interest accrued on loans to employee /directors/ other officers	**198.57**	**3.04**	**135.04**	**1.72**
(b) Interest accrued but not due on Others				
Secured, considered good	-	1.84	-	1.48
Unsecured, considered good	-	-	-	2.38
	-	**1.84**	**-**	**3.86**
(c) Receivable from related party Unsecured, considered good)	**-**	**1.68**	**-**	**0.91**
Total	**198.57**	**6.56**	**135.04**	**6.49**

14 Tax Assets/ (Liabilities) [Net]

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Tax assets (Advance tax)	10,019.29	3,067.90	54,059.25	2,745.88
Less: Provision for current tax liabilities	8,382.75	1,084.76	52,059.98	1,221.58
Net tax assets / (liabilities) (a)	**1,636.54**	**1,983.14**	**1,999.27**	**1,524.30**
Income tax paid under dispute (b)	**-**	**-**	**307.24**	**-**
Total (a+b)	**1,636.54**	**1,983.14**	**2,306.51**	**1,524.30**

14.1 The Company has opted to settle Income Tax Disputes under the Direct Tax Vivad Se Vishwas Act, 2020, and accordingly, a sum of ₹ 1,084.76 million payable under the said scheme has been charged as prior year tax in the Statement of Profit and Loss during the current year. Pursuant to this, the tax assets and liabilities have been reclassified for the year ended March 31, 2020. The tax assets of ₹ 2,908.37 million and liabilities of ₹ 1,084.76 million of assessment years for which the Company has exercised the option have been considered as current tax assets and current tax liabilities respectively, as the same are expected to be settled within a year.

14.2 The Taxation Laws (Amendment) Act, 2019 has inserted a new section 115BAA in the Income Tax Act, 1961, which gives domestic companies a non-reversible option to pay corporate tax at reduced rate, subject to certain conditions. Such option can be exercised for the financial year 2019-20 or any subsequent financial year. The financial statements of the Company for the year ended March 31, 2020 have been prepared considering the old corporate tax rate. However, the option for the new lower tax rate for the financial year 2019-20 can be exercised by the Company on or before the due date for filing of the return of income.

15 Other Assets

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
(Unsecured, considered good unless otherwise stated)				
(a) Capital advances to others				
Secured, considered good	1,061.34	-	10.10	-
Unsecured, considered good	7,063.29	-	7,709.68	-
[refer note 15.1 below]				
	8,124.63	**-**	**7,719.78**	**-**
(b) Deposits with Government Authorities				
[refer note 15.2, 15.3 and 15.4 below]	**378.73**	**2,471.87**	**2,503.98**	**356.48**
(c) Advance recoverable in kind				
From Related Parties	-	1.48	-	114.68
From Others	-	1,316.87	-	2,647.73
	-	**1,318.35**	**-**	**2,762.41**
(d) Balance with government authorities	**-**	**860.80**	**-**	**2,119.82**
(e) Prepayments [refer note 15.5 and 15.6 below]				
Leasehold land	-	-	2,200.97	55.18
Guarantee charges	-	-	-	-
Others	217.90	81.56	2,355.94	426.60
	217.90	**81.56**	**4,556.91**	**481.78**
(f) Gold coins	**-**	**0.91**	**-**	**0.91**
(g) Stock on Returnable Basis	**-**	41.39	**-**	**181.68**
Less: Impairment for Stock	**-**	41.39	**-**	**41.39**
	-	**-**	**-**	**140.29**
Total	**8,721.26**	**4,733.49**	**14,780.67**	**5,861.69**

15.1 An amount of ₹ 223.65 million paid during previous years as Capital Advance has now been reclassified as Right-of-Use Assets as the Company has adopted Ind AS 116 “Leases” effective April 1, 2019.

15.2 Includes amounts paid under protest.

15.3 Includes ₹ 2,125.25 million relating to appeal in the matter of classification of Reformate import pending before Hon’ble CESTAT wherein application for early out of turn hearing in the matter is also admitted by Hon’ble CESTAT during the year. The Company has considered it as current, as the same is expected to be settled within a year.

15.4 Includes ₹ 2.31 million pre-deposit relating to Central Excise and Service Tax matters in appeal and submitted for closure under the “Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019” announced under “Finance Act 2019” which was effected from 1st September 2019 to 15th January 2020. Out of which ₹ 2.07 million had already been provided as liability and will be set-off against the pre- deposit, when the same will be approved by the Designated Authorities and discharge certificate is issued for the same as per the scheme. The balance ₹ 0.24 million (shown as contingent liability) will be charged to Statement of Profit and Loss once the matters submitted for closure are approved by the Designated Authorities and discharge certificate is issued for the same as per the scheme.

15.5 An amount of ₹ 1,338.78 million classified under Prepayments in previous year has now been reclassified as Right-of-Use Assets as the Company has adopted Ind AS 116 “Leases” effective April 1, 2019.

15.6 Subsidiary Company OMPL - Mangalore SEZ Limited (‘the Developer’) has constructed the Corridor pipeline and allied facilities (‘the Facilities’). The contribution paid by the Company for the said Facilities is shown under Prepayment of RoW Charges net of value amortised over the useful life of the asset. Effective April 1, 2019, the Company has adopted Ind AS 116 “Leases” using the modified retrospective approach and accordingly the same has been recognised as right-of-use asset in the books.

16 Inventories

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Raw materials				
(a) On hand	8,316.40		17,729.63	
(b) In transit	6,845.88	15,162.28	7,272.70	25,002.33
Stock-in-process		5,160.98		9,998.46
Finished goods	13,662.03		21,420.80	
Less: Provision for stock loss	5.91	13,656.12	5.91	21,414.89
Stock in Trade- Lube Oil		0.07		0.12
Stores and spares				
(a) On hand	8,355.33		6,576.47	
(b) In transit	86.76		181.88	
Less : Provision for slow/non-moving inventories	99.33	8,342.76	87.38	6,670.97
Total		**42,322.21**		**63,086.77**

16.1 The cost of inventories (cost of sales) recognised as an expense during the year is ₹ 588,854.90 million (For the year ended March 31, 2019 ₹ 681,539.36 million).

16.2 The cost of inventories recognized as an expense includes ₹ 11,212.40 million (Previous Year ₹ 84.46 million) in respect of write down of inventories to net realisable value. There has been no reversal of such write down in current year and previous year. The outbreak of COVID-19 Pandemic globally and the nationwide lockdown from March 25, 2020 along with other normal factors has resulted in a steep fall in crude prices and lower product margins for the petroleum products and consequently the Company inventories held were written down to their net realisable value.

16.3 The method of valuation of inventories has been stated in **Note 3.21**

17 Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Secured **[refer note 17.4 below]**		
- Considered good	243.54	2,142.00
Unsecured		
- Considered good	9,928.18	21,597.22
Credit impaired		
- Receivable which are credit impaired	1,142.36	985.95
Less: Impairment for doubtful receivables	1,142.36	985.95
Total	**10,171.72**	**23,739.22**

17.1 Generally, the Company enters into long-term sales arrangement with Oil Marketing Companies for domestic sales besides export of products through term contracts and spot international tenders and supplies to SEZ customers. The average credit period on sales ranges from 7 to 45 days (Year ended March 31, 2019 ranges from 7 to 45 days). Interest is not charged on trade receivables for the applicable credit period from the date of invoice. For delayed period of payments, interest is charged as per respective arrangements, which is upto 2% per annum (Year ended March 31, 2019 upto 3% per annum) over the applicable bank rate on the outstanding balance.

Subsidiary Company OMPL does export sales through short-term tender arrangements and also through B2B arrangements. Company does domestic sales through long term sales arrangement with Holding Company and short term arrangement with others. The average credit period ranges from 7 to 30 days (Year ended March 31, 2019 ranges from 7 to 15 days). Interest is not charged on trade receivables for the applicable credit period from the date of invoice. For delayed period of payments, interest is charged as per respective arrangements.

17.2 Of the trade receivables, balance as at March 31, 2020 of ₹ 8,549.39 million (As at March 31, 2019 ₹ 21,542.66 million) are due from the customers mentioned below. There are no other customers who represent more than 5% of the total balance of trade receivables other than mentioned below.

Particulars	As at March 31, 2020	As at March 31, 2019
Customer 1	956.80	7,327.99
Customer 2	5,809.64	7,220.53
Customer 3	1,103.79	2,464.87
Customer 4	-	1,811.48
Customer 5	-	1,313.62
Customer 6	679.16	6.92
Customer 7	-	1,397.25
Total	**8,549.39**	**21,542.66**

Note: Major customers identity are not disclosed on account of market confidentiality.

17.3 Usually, the Group collects all receivables from its customers within the applicable credit period. The Group assesses impairment on trade receivables from all the customers on facts and circumstances relevant to each transaction.

17.4 Secured by bank guarantees and letter of credit received from customers.

17.5 The Group has concentration of credit risk due to the fact that the Company has significant receivables from customers mentioned in **note 17.2,** however these customers are reputed and creditworthy.

17.6 There are no outstanding receivables due from directors or other officers of the Company.

17.7 Age of Trade Receivables:

Particulars	As at March 31, 2020	As at March 31, 2019
Within the credit period	9,550.35	23,331.82
1-30 days past due	375.62	130.15
31-90 days past due	228.40	117.16
More than 90 days past due	1,159.71	1,146.04
Total	**11,314.08**	**24,725.17**

17.8 Movement of Impairment for doubtful receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of the year	985.95	973.61
Add: Additions/ (Deletion) in expected credit loss allowance	158.41	30.62
Less: Write back during the year	2.00	18.28
Less: Reclassification/ Other adjustments	-	-
Balance at end of the year	**1,142.36**	**985.95**

18 Cash and Cash Equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks	15.82	41.56
Cash on hand	2.18	5.17
Total	**18.00**	**46.73**

19 Other Bank Balances

Particulars	As at March 31, 2020	As at March 31, 2019
Other bank deposits under lien	0.09	4,578.40
Unclaimed interest on debentures account **[refer note 19.1 below]**	0.01	0.01
Unclaimed dividend account **[refer note 19.2 below]**	249.79	259.96
Restricted bank balance for employee benevolent fund	12.26	11.07
Total	**262.15**	**4,849.44**

19.1 Amount deposited in the unclaimed interest on debentures account is earmarked for payment of interest and cannot be used for any other purpose.

19.2 Amount deposited in the unclaimed dividend account is earmarked for payment of dividend and cannot be used for any other purpose.

20 Equity Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised share capital:		
2,900,000,000 Equity shares of ₹ 10 each (as at March 31, 2019: 2,900,000,000 Equity shares of ₹10 each)	**29,000.00**	**29,000.00**
100,000,000 Redeemable Preference shares of ₹10 each (as at March 31, 2019: 100,000,000 Preference shares of ₹10 each)	**1,000.00**	**1,000.00**
Issued and Subscribed:		
1,752,598,777 Equity shares of ₹10 each (as at March 31, 2019: 1,752,598,777 Equity shares of ₹10 each)	**17,525.99**	**17,525.99**
Fully paid equity shares:		
1,752,598,777 Equity shares of ₹10 each (as at March 31, 2019: 1,752,598,777 Equity shares of ₹10 each)	17,525.99	17,525.99
Add: Shares forfeited **[refer note 20.5 below]**	0.65	0.65
Total	**17,526.64**	**17,526.64**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Balance as at April 1, 2018	**1,752.60**	**17,525.99**
Changes during the year	-	
Outstanding as at March 31, 2019	**1,752.60**	**17,525.99**
Changes during the year	-	
Outstanding as at March 31, 2020	**1,752.60**	**17,525.99**

20.1 Terms/rights attached to Equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

20.2 Details of Equity shares held by the holding company or its subsidiaries or its associates are as under:-

Name of equity share holders	As at March 31, 2020		As at March 31, 2019	
	Number in million	% holding	Number in million	% holding
Oil and Natural Gas Corporation Limited	1,255.35	71.63	1,255.35	71.63
Hindustan Petroleum Corporation Limited	297.15	16.96	297.15	16.96

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

Name of equity share holders	As at March 31, 2020		As at March 31, 2019	
	Number in million	% holding	Number in million	% holding
Oil and Natural Gas Corporation Limited	1,255.35	71.63	1,255.35	71.63
Hindustan Petroleum Corporation Limited	297.15	16.96	297.15	16.96

20.4 Equity shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment: Nil (As at March 31, 2019: Nil).

20.5 Equity shares of ₹ 10 each (equivalent to 303,550 equity shares of ₹ 10 each) were forfeited in the year 2009-10 against which amount originally paid up was ₹ 654,000.

21 Other Equity

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Deemed equity **[refer note 3.25.2 (a)]**	42.17	42.17
(b) Reserves and surplus		
(i) Capital redemption reserve	91.86	91.86
(ii) Securities premium	3,463.90	3,466.45
(iii) Capital reserve	0.07	0.07
(iv) General reserve	1,192.00	1,192.00
(v) Debenture Redemption reserve	-	228.94
(vi) Equity component of compound financial instrument	4,733.43	-
(vii) Retained earnings	41,297.04	76,909.64
Total	**50,820.47**	**81,931.13**

Particulars		As at March 31, 2020	As at March 31, 2019
(a)	**Deemed equity [refer note 21.1 below]**		
	Balance at beginning of the year	42.17	38.40
	Addition during the year	-	3.77
	Balance at end of the year	42.17	42.17
(b)	**Reserves and Surplus**		
(i)	**Capital redemption reserve [refer note 21.2 below]**		
	Balance at beginning of the year	91.86	91.86
	Transfer during the year	-	-
	Balance at end of the year	**91.86**	**91.86**
(ii)	**Securities premium [refer note 21.3 below]**		
	Balance at beginning of the year	3,466.45	3,467.98
	Transfer during the year	(2.55)	(1.53)
	Balance at end of the year	**3,463.90**	**3,466.45**
iii)	**Capital reserve [refer note 21.4 below]**		
	Balance at beginning of the year	0.07	0.07
	Transfer during the year	-	-
	Balance at end of the year	**0.07**	**0.07**
(iv)	**General reserve [refer note 21.5 below]**		
	Balance at beginning of the year	1,192.00	1,192.00
	Transfer from retained earnings	-	-
	Balance at end of the year	**1,192.00**	**1,192.00**
(v)	**Debenture Redemption Reserve**		
	Balance at beginning of the year	228.94	-
	Transfer to/ from retained earnings/ Non controlling interest	(228.94)	228.94
	Balance at end of the year	**-**	**228.94**
(vi)	**Equity Component of Compound Financial Instrument [refer note 21.6 below]**		
	Balance at beginning of the year	-	-
	Received during the year	3,947.74	-
	Deferred Tax impact on equity component of compound financial instrument	785.69	-
	Transfer during the year	-	-
	Balance at end of the year	**4,733.43**	**-**
(vii)	**Retained earnings**		
	Balance at beginning of the year	76,909.64	80,017.17
	Profit / (Loss) after tax for the year	(33,529.18)	3,400.43
	Other Comprehensive Income for the year, net of income tax	(87.33)	(52.64)
	Payment of Dividends	(1,752.60)	(5,257.80)
	Tax on Dividends	(360.25)	(1,080.76)
	Transfer to / from Debenture Redemption Reserve	116.76	(116.76)
	Balance at end of the year	**41,297.04**	**76,909.64**

21.1 The amount of ₹ 42.17 million (As at March 31, 2019 ₹ 42.17 million) shown as deemed equity denotes the fair value of fees towards financial guarantee received from Oil and Natural Gas Corporation Limited without any consideration.

21.2 The Company created capital redemption reserve on redemption of preference share capital during the financial years 2011-12 and 2012-13.

21.3 The Company created securities premium on issue of equity share capital and the same can be utilized as per the requirement of the Companies Act, 2013.

21.4 Capital reserve created on account of consolidation during the year 2014-15

21.5 The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to Statement of Profit and Loss.

21.6 Subsidiary Company OMPL has allotted 1,000 Compulsorily Convertible Debentures (CCDs) of ₹ 10 million each on March 5, 2020 through private placement. Company has issued CCDs in 3 different series. The CCDs are backstop supported by Sponsor Companies to mandatorily buy out the debentures as per the terms and conditions of Option Agreement.

21.7 The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013 and the dividend distribution policy of the Company. Thus, the amount reported in general reserves are not entirely distributable.

22 Borrowings

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Secured – at amortised cost				
Term Loans:-				
From Banks				
External Commercial Borrowing (ECB) **[refer note 22.1 below]**	23,066.68	-	31,240.94	-
Foreign Currency borrowing (FCTL) **[refer note 22.2 below]**	27,182.19	-	-	-
From others				
Oil Industry Development Board (OIDB) **[refer note 22.3 below]**	4,720.00	-	2,680.00	-
Deferred Payment Liabilities :-				
Deferred Payment Liabilities : VAT Loan **[refer note 22.4 below]**	360.78	-	225.56	-
Working capital loan from banks **[refer note 22.5 below]**	-	8,632.30	-	4,654.87
Unsecured – at amortised cost				
Debentures :-				
Non Convertible Debentures (NCD) **[refer note 22.6 below]**	25,586.59	-	-	-
Liability Component of Compound Financial Instruments				
Compulsorily Convertible Debentures (CCD’s) **[refer note 22.7 below]**	1,507.59	688.87	-	-

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Term loan :-				
From Banks				
Rupee Term Loan from bank **[refer note 22.8 below]**	-	-	5,142.50	-
Foreign Currency Borrowings (FCTL) **[refer note 22.9 below]**	11,328.69	-	-	-
Working capital loan from Banks				
External Commercial Borrowings (ECB): Working Capital **[refer note 22.10 below]**	30,025.03	-	68.52	-
Foreign Currency Term Loan (FCTL) **[refer note 22.11 below]**	-	11,866.06	-	49,795.20
Buyers Credit and Pre/Post Shipment Export Credit **[refer note 22.12 below]**	-	-	-	24,206.00
Bills Discounting Facility : SBI **[refer note 22.13 below]**	-	6,324.45	-	-
Other Working Capital Loan **[refer note 22.14 below]**	-	3,700.00	-	-
Working capital loan from Others				
Commercial Paper **[refer note 22.15 below]**	-	-	-	4,000.00
Loan repayable on demand from Banks				
Short Term Rupee Loan **[refer note 22.16 below]**	-	4,732.16	-	370.00
Total	**123,777.55**	**35,943.84**	**39,357.52**	**83,026.07**

22.1 External Commercial Borrowings (ECB)

22.1.1 External Commerical Borrowings taken by the Company are USD denominated loans and carries variable rate of interest which is six month Libor plus spread (Interest rate as at March 31, 2020 is 2.90% and interest rate as at March 31, 2019 was 3.86%).

22.1.2 External Commercial Borrowings are secured by first pari passu charge over immovable Property, Plant & Equipment and first ranking pari passu charge over movable Property, Plant & Equipment (including but not limited to Plant and Machinery, Spares, Tools, Furniture, Fixture, Vehicles and all other Movable Property, Plant & Equipment) both present and future.

22.1.3 Subsidiary Company OMPL has External Commercial Borrowings are USD denominated Loans and carries variable rate of interest which is six month Libor plus spread. (Interest Rate as at March 31, 2020 is 4.46% and Interest rate as at March 31, 2019 is 5.00%).External Commercial Borrowings are secured by first charge on land and all property, plant and equipment and second charge by way of hypothecation on all movable property, plant and equipment and all current assets.

22.1.4 ₹ 9,777.57 million (As at March 31, 2019 of ₹ 3,259.82 million) is repayable within one year and the same has been shown as “Current maturities of long term debts (secured)” under **Note 23**.

22.1.5 Repayment schedule of ECB is as follows:

Year of repayment [refer note 22.17 below]	As at March 31, 2020	As at March 31, 2019
2019-20	-	3,273.44
2020-21	9,785.66	10,189.44
2021-22	11,135.31	10,189.44
2022-23	8,112.10	7,423.04
2023-24	3,894.09	3,563.32
Total	**32,927.16**	**34,638.68**

22.2 Foreign Currency Borrowing (FCTL)

22.2.1 During the financial year 2019-20 the Subsidiary Company OMPL has availed Medium Term Foreign Currency Loan amounting to USD 510 million from three Banks

22.2.2 Foreign Currency Borrowing amounting to USD 360 million is having a tenor of eight years with moratorium of 3 years and is secured by way of first pari passu charge on Fixed Assets of the Compnay.The loan is repayable in 20 quarterly instalment and carries variable rate of interest which is six month Libor plus spread (Range of Interest rate as at March 31, 2020 is 3.93% to 4.28%).

22.2.3 Repayment schedule of FCTL is as follows:

Year of repayment [refer note 22.17 below]	As at March 31, 2020	As at March 31, 2019
2022-23	3,023.20	-
2023-24	5,109.21	-
2024-25	5,441.76	-
2025-26	5,441.76	-
2026-27	6,197.56	-
2027-28	1,995.31	-
Total	**27,208.80**	-

22.3 Loan from Oil Industry Development Board (OIDB)

22.3.1 Loan from OIDB taken by the Company carries fixed rate of interest (Interest rate as at March 31, 2020 for ₹ 2,680.00 million (7.98%), ₹ 1,840.00 million (7.00%), ₹ 150.00 million (7.50%), ₹ 450.00 million (7.11%) and ₹ 270.00 million (7.03%) and interest rate as at March 31, 2019 was 7.98%).

22.3.2 OIDB loan is secured by way of first ranking pari passu charge by way of hypothecation / mortgage only on Property, Plant & Equipment / projects financed out of loan proceeds of OIDB.

22.3.3 ₹ 670.00 million (As at March 31, 2019 of ₹ Nil) is repayable within one year and the same has been shown as "Current maturities of long term debts" (secured)" under **Note 23**.

22.3.4 Repayment schedule of loan from OIDB is as follows:

Year of repayment [refer note 22.17 below]	As at March 31, 2020	As at March 31, 2019
2020-21	670.00	670.00
2021-22	1,347.50	670.00
2022-23	1,347.50	670.00
2023-24	1,347.50	670.00
2024-25	677.50	-
Total	**5,390.00**	**2,680.00**

22.4 Deferred payment liabilities - VAT Loan :

22.4.1 Deferred payment liability against VAT Loan represents amounts payable on account of "Interest free loan" received from Government of Karnataka. This interest free loan against VAT will be repayable from March 31, 2028.

22.4.2 The benefit of a Government loan at a below-market rate of interest is treated as a government grant (Ind AS 20). The Interest free loan is recognised and measured in accordance with Ind AS 109, Financial Instruments. The benefit of the Interest free loan is measured as the difference between the initial carrying value of the loan determined in accordance with Ind AS 109, and the proceeds received. The benefit is accounted for in accordance with this Standard.

2.4.3 Deferred payment liabilities - VAT Loan are secured by bank guarantees given by the company.

22.4.4 Repayment schedule of Deferred payment liability VAT loan is as follows:

Year of repayment [refer note 22.17 below]	As at March 31, 2020	As at March 31, 2019
2027-28	132.61	132.61
2028-29	155.16	155.16
2029-30	197.76	197.76
2030-31	208.53	107.51
2031-32	322.83	-
Total	**1,016.89**	**593.04**

22.5 Working capital loan from Banks

22.5.1 Working capital borrowings from consortium banks are secured by way of first ranking pari passu charge by way of hypothecation of Company's stocks of Raw Material, Finished Goods, Stock-in-Process, Stores, Spares, Components, Trade receivables, outstanding Money Receivables, Claims, Bills, Contract, Engagements, Securities both present and future and further secured by second ranking pari passu charge over companies movable and immovable property (all Property, Plant & Equipment) both present and future. Working capital borrowings from banks in the form of overdraft facility against fixed deposits are secured by way of hypothecation on original fixed deposits.

22.5.2 Subsidiary Company OMPL working capital facilities from banks is secured by way of first pari passu charge on current assets of the Company and second pari passu charge on the property, plant & equipment of the Company.

22.6 Debentures :
Unsecured Redeemable Non-Convertible Fixed Rate Debentures (Privately Placed) :

Sl. No.	ISIN	Face Value Per Debenture (₹)	Date of Allotment	As at 31-03-2020	Coupon Rate	Maturity [refer note 22.17 below]	
1	INE103A08019	1,000,000	13-Jan-20	9,997.05	7.40%	10,000.00	12-Apr-30
2	INE103A08035	1,000,000	29-Jan-20	10,591.00	7.75%	10,600.00	29-Jan-30
3	INE103A08027	1,000,000	13-Jan-20	4,998.54	6.64%	5,000.00	14-Apr-23
	Total			**25,586.59**		**25,600.00**	

22.7 Unsecured Compulsorily convertible debentures (CCD's)

22.7.1 The Subsidiary Company OMPL has allotted 1,000 Compulsorily Convertible Debentures (CCDs) of ₹10 million each on March 5, 2020 through private placement. Company has issued CCDs in 3 different series. Series I Debentures consists of ₹ 2,500 million with Coupon Rate of 8.35% p.a. Series II Debentures consists of ₹ 2,500 million with Coupon Rate of 8.50% p.a. Series III Debentures consists of ₹ 5,000 million with Coupon Rate of 8.75% p.a. Interest for all the three series of debentures to be served on quarterly basis.

22.7.2 Coupon Rate of Series I Debenture is floating with interest rate linked to 364 days Treasury Bill Rate which will be reset on annual basis. Coupon Rate on Series II and Series III debentures are fixed over the tenor of debentures. Under Transaction Document of CCDs, the Company has obligation to timely service the interest to investors. Further, CCDs are backed by undertaking from Sponsor Companies to ensure payment of Coupon amount on debentures in case Company fails to do so.

22.7.3 Tenor of CCDs is 36 months from Deemed Date of Allotment, with mandatory Put / Call Option at the end of the 35th month. The Sponsors have to mandatorily acquire all the CCDs from the investors at the end of 35th month from the date of allotment.

22.7.4 The Sponsors can also buy out the CCDs at any time prior to the expiry of 35 months from allotment date. Investors have put option on sponsors in the event of default.

22.7.5 Company's obligation under option agreement is limited only to the extent of servicing of interest on these debentures. Upon conversion of the CCDs, the Company would be required to issue equity shares to the sponsors who are existing shareholders of the Company.

22.7.6

Sl. No.	Particulars	Face Value	Equity Component of Convertible Debenture	Current Liability Component of Convertible Debentures
1	CCD Issue 1 @ 8.35% Coupon Rate	2,500.00	1,952.84	167.45
2	CCD Issue II @ 8.50% Coupon Rate	2,500.00	1,943.01	170.46
3	CCD Issue III @ 8.75% Coupon Rate	5,000.00	3,853.26	350.96
	Total	**10,000.00**	**7,749.11**	**688.87**

22.8 Rupee term loan from bank :

2.8.1 Term loan from SBI taken by the Company carries variable rate of interest which is three months MCLR plus spread (Interest rate as at March 31, 2020 is 7.84% and as at March 31, 2019 was 8.39%).

22.8.2 ₹ 6,856.72 million (As at March 31, 2019 of ₹ 6,857.20 million) is repayable within one year and the same has been shown as "Current maturities of long-term debts (unsecured)" under **Note 23.**

22.8.3 Reserve Bank of India (RBI) announced a number of relief measures under the COVID-19 – Regulatory Package for Indusry at large vide its Press Release RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020. This circular Inter-alia provides relief and to mitigate the burden of Debt Installments including Interest falling due during the relief period from March 1, 2020 to May 31, 2020 (90 Days) for all term loans to the specified borrowers. Circular provides relief by way of extention across the board to all the specified borrowers by extending repayment of term loan instalments (includes interest) by 90 days. Interest shall continue to accrue on the outstanding portion of the term loans during the moratorium period. As per this Circular, the Company has availed facility of deferment of Loan Installment along with accured interest thereon falling due on March 31, 2020 amounting to ₹ 1,714.30 million and ₹ 45.66 million respectively.

22.8.4 Repayment schedule of Term Loan from SBI is as follows:

Sl. No.	Year of repayment [refer note 22.17 below]	As at March 31, 2020	As at March 31, 2019
1	2019-20	-	6,857.20
2	2020-21	6,856.72	5,142.50
	Total	**6,856.72**	**11,999.70**

22.9 Foreign Currency Borrowing (FCTL) :

22.9.1 The Subsidiary Company OMPL has Foreign Currency Borrowing amounting to USD 150 million is availed on unsecured basis having a tenor of three years and carries variable rate of interest which is six month Libor plus spread. (Range of Interest rate as at March 31, 2020 is 3.92% to 3.93%).

22.9.2 Repayment schedule of FCTL is as follows:

Year of repayment [refer note 22.17 below]	As at March 31, 2019	As at March 31, 2018
2022-23	11,337.00	-
Total	**11,337.00**	**-**

22.10 Working capital Term Loan from Banks - ECB :

22.10.1 External Commerical Borrowings taken by the Company are USD denominated loans and carries variable rate of interest which is six month Libor plus spread (Interest rate as at March 31, 2020 is 2.37% and interest rate as at March 31, 2019 was 3.96%).

22.10.2 Repayment schedule of Working Capital loan ECB is as follows:

Year of repayment [refer note 22.17 below]	As at March 31, 2019	As at March 31, 2018
2023-24	75.58	69.16
2024-25	30,156.42	-
Total	**30,232.00**	**69.16**

22.11 Foreign currency Term loan (FCTL) :

22.11.1 Foreign Currency Term Loan from bank are USD denominated loans and carries variable rate of interest which is three month Libor plus spread and is repayable within one year from the date of each disbursement.

22.12 Buyers Credit & Pre/Post Shipment Export Credit :

22.12.1 Buyers Credit and Pre/Post Shipment Export Credit from banks are USD denominated loans carries variable rate of interest which is one month Libor plus spread and is repayable within two months/ one months from the date of each disbursement.

2.13 Bill Discounting Facility :

2.13.1 Unsecured Bill discounting facility from State Bank of India (SBI) against Non LC bill drawn on Subsidiary Company "ONGC Mangalore Petrochemicals Limited" (OMPL).

22.14 Other Working Capital Loan :

22.14.1 Unsecured short term working capital loan from bank

22.15 Commercial Paper

22.15.1 The Commercial paper issued is unsecured fixed rate short term debt instrument with tenure of 90 days.

22.16 Loan repayable on demand: Short Term Rupee Loan

22.16.1 Subsidiary Company OMPL has taken unsecured short term rupee loan as on March 31, 2020 is for tenor of 3 months to 1 year and carries variable interest rate linked to overnight MCLR and one month MCLR (Range of Interest Rate as at March 31, 2020 is 7.50% to 7.60% p.a.) and unsecured short term rupee loan as on March 31, 2019 was for tenor of 1 year and carried interest rate linked to 1 year MCLR (Interest as at March 31, 2019 was 8.85% p.a.).

2.17 The repayment schedules disclosed above are based on contractual cash outflows and hence will not reconcile to carrying amounts of such borrowings which are accounted at amortised cost.

23 Other Financial Liabilities

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Current maturities of long term debt (Secured) **[refer note 22.1.4 and 22.3.3]**	-	10,447.57	-	23,259.43
Current maturities of long term debt (Unsecured) **[refer note 22.8.2]**	-	6,856.72	-	10,533.83
Unclaimed dividends **[refer note 23.1 below]**	-	249.79	-	259.98
Unclaimed interest on matured debentures **[refer note 23.2 below]**	-	0.01	-	0.01
Interest accrued but not due [**refer note 22.8.3**]	-	653.85	-	2,351.14
Deposits from suppliers/ contractors/ others	-	791.84	-	951.38
Payable against capital goods **[refer note 23.3 below]**	-	3,240.40	-	2,214.70
Liability for employees	-	882.73	-	781.19
Lease Liability	2,130.68	280.92	-	-
Other liabilities relating to customers and vendors	-	2,233.60	-	1,653.97
Total	**2,130.68**	**25,637.43**	**-**	**42,005.63**

23.1 No amount is due for payment to the Investor Education Protection Fund.

23.2 Represents interest payable towards matured debentures.

23.3 Price reduction schedule

Payable against capital goods includes ₹ 234.90 million (As at March 31, 2019 ₹ 259.15 million) relating to amounts withheld from vendors pursuant to price reduction schedule which will be settled on finalisation of proceedings with such vendors. When the withheld amounts are ultimately finalised, the related adjustment is made to the Property, Plant and Equipment prospectively.

24 Provisions

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Provision for employee benefits [refer note 41]				
(a) Leave encashment	926.39	81.73	653.82	53.14
(b) Post retirement medical and other benefits	108.85	3.45	89.76	2.95
(c) Gratuity	83.56	1.46	62.38	1.94
Others **[refer note 24.1 below]**	-	1,734.53	-	4,531.29
Total	**1,118.80**	**1,821.17**	**805.96**	**4,589.32**

24.1 Others include provision for Excise duty on closing stock

Particulars	Excise duty on closing stock
Opening Balance as at April 1, 2019	4,531.29
Less: Reduction on account of provision reversal	4,531.29
Add: Additions during the year	1,734.53
Closing Balance as at March 31, 2020	1,734.53

The Company estimates provision based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on March 31, 2020 ₹ 1,734.53 million (As at March 31, 2019 ₹ 4,531.29 million) and has included it in other provision. This provision is expected to be settled when the goods are removed from the factory premises.

25 Deferred Tax Asset/ (Liabilities) (Net)

Statement showing the movement in Deferred Tax Assets/ (Liabilities):

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Assets	53,645.36	36,447.81
Deferred Tax Liabilities	(40,630.74)	(38,949.14)
Deferred Tax Asset/ (Liability) - Net	**13,014.62**	**(2,501.33)**

2019-20	Opening balance	Recognised in Profit or Loss	MAT credit entitlement related to previous year	Recognised in Other Comprehensive Income	Recognized in Other Equity	Closing balance
Deferred Tax Liabilities in relation to						
Property, Plant and Equipment	(38,937.68)	(1,666.83)	-	-	-	(40,604.51)
Intangible Assets	(11.46)	(2.57)	-	-	-	(14.03)
Others	-	(12.20)	-	-	-	(12.20)
Total	**(38,949.14)**	**(1,681.60)**	**-**	**-**	**-**	**(40,630.74)**
Tax effect of items constituting Deferred Tax Assets						
Other Liabilities	60.11	11.06	-	-	-	71.17
Equity Component of Compound Financial Instrument	-	(18.16)	-	-	785.69	767.53
Brought forward business losses and unabsorbed depreciation	18,832.30	16,338.92	-	-		35,171.22
MAT credit entitlement	17,192.76	-	52.63	-	-	17,245.39
Right of Use Assets net of Lease Liability	-	27.45	-	-	-	27.45
Financial and Other Assets	340.51	(0.04)	-	-	-	340.47
Inventories	22.13	-	-	-	-	22.13
Remeasurement of the Defined Benefit Plans	-	(47.52)	-	47.52	-	-
Total	**36,447.81**	**16,311.71**	**52.63**	**47.52**	**785.69**	**53,645.36**
Deferred Tax Asset / (Liability) (Net)	**(2,501.33)**	**14,630.11**	**52.63**	**47.52**	**785.69**	**13,014.62**

2018-19	Opening balance	Recognised in Profit or Loss	MAT credit entitlement related to previous year	Recognised in Other Comprehensive Income	Recognized in Other Equity	Closing balance
Deferred Tax Liabilities in relation to						
Property, Plant and Equipment	(36,466.56)	(2,471.12)	-	-	-	(38,937.68)
Intangible Assets	(3.45)	(8.01)	-	-	-	(11.46)
Total	**(36,470.01)**	**(2,479.13)**	**-**	**-**	**-**	**(38,949.14)**
Tax effect of items constituting Deferred Tax Assets						
Other Liabilities	25.58	34.53	-	-	-	60.11
Brought forward business losses and unabsorbed depreciation	18,615.93	216.37	-	-		18,832.30
MAT credit entitlement	16,561.83	616.19	14.74	-	-	17,192.76
Financial and Other Assets	340.51	-	-	-	-	340.51
Inventories	23.92	(1.79)	-	-	-	22.13
Remeasurement of the Defined Benefit Plans	-	(31.85)	-	31.85	-	-
Total	**35,567.77**	**833.45**	**14.74**	**31.85**	**-**	**36,447.81**
Deferred Tax Asset / (Liability) (Net)	**(902.24)**	**(1,645.68)**	**14.74**	**31.85**	**-**	**(2,501.33)**

26 Trade Payables

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises	368.83	230.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	32,396.50	46,702.03
Total	**32,765.33**	**46,932.33**

26.1 Trade payables include ₹ 10,268.07 million (As at March 31, 2019 of ₹ 9,139.87 million) for which ONGC has given guarantees on behalf of the Company.

26.2 The average credit period on purchases of crude, stores and spares, other raw material, services, etc. ranges from 14 to 60 days (Year ended March 31, 2019 ranges from 14 to 60 days). Thereafter, interest is charged upto 6.75% per annum (Year ended March 31, 2019 upto 6.75% per annum) over the relevant bank rate as per respective arrangements on the outstanding balances. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Subsidiary Company OMPL has average credit period on purchases of raw materials, stores and spares, services, etc. ranges from 7 to 30 days. Thereafter, interest is charged at variable rates as per respective trade arrangements on the outstanding balances. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

26.3 Disclosure relating to dues to Micro, Small and Medium Enterprises

	Particulars	As at March 31, 2020	As at March 31, 2019
i	The principal amount and the interest dues thereon (to be shown separately) remaining unpaid to any supplier at the end of the year	368.83	230.30
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii	The amount of interest dues and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v	The amount of further interest remaining dues and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

27 Other Liabilities

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Revenue received in advance	-	1.16	-	1.29
Liability for gratuity **[refer note 27.1 below]**	-	151.16	-	85.61
Liability for statutory payments **[refer note 15.4]**	-	1,309.57	-	1,757.23
Others	-	7,132.02	-	477.57
Deferred Government Grant [**refer note 5.3 & 22.4.2**]	3,596.15	196.59	3,482.11	181.46
Total	**3,596.15**	**8,790.50**	**3,482.11**	**2,503.16**

27.1 Net of amount payable to Gratuity Trust.

28 Revenue from Operations

	Particulars	As at March 31, 2020	As at March 31, 2019
28.1	**Sales**		
	Petroleum Products	565,191.83	729,354.25
	Crude Oil and Other Products	33,502.12	5,335.40
28.2	**Other operating revenues**		
	Sale of scrap	153.21	216.90
	Price Reduction Schedule	22.87	34.22
	Export Incentives	930.01	2,049.82
	Total	**1,106.09**	**2,300.94**
	Total	**599,800.04**	**736,990.59**

29 Other Income

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
29.1	**Interest on:**		
	Contractor mobilisation advance	31.55	1.53
	Others	8.79	357.40
	Financial assets measured at amortised cost :		
	- Bank deposits	151.67	609.79
	- Direct marketing customers	13.15	23.76
	- Employee loans	70.66	44.71
	Total	**275.82**	**1,037.19**
29.2	**Dividend income from:**		
	Investment in mutual funds (measured at FVTPL)	**14.03**	**90.53**
29.3	**Other non-operating income**		
	Royalty income	11.30	8.68
	Liability no longer required written back	125.42	111.62
	Excess provisions written back	2.12	18.28
	Tender form sale	3.77	0.01
	Hire charges	8.57	4.40
	Recoveries from employees	11.15	10.33
	Amortisation of Deferred Government Grant	187.94	178.24
	Miscellaneous receipts	179.99	81.24
	Total	**530.26**	**412.80**
	Total	**820.11**	**1,540.52**

30 Cost of Materials Consumed

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Raw material: Crude oil		
Imported	383,220.35	471,548.10
Indigenous	76,040.65	98,949.04
Raw material: Others		
Imported		
Hydrogen	132.70	297.60
Paraffin raffinate	372.06	957.97
Reformate	3.28	-
Indigenous		
CRMB modifier	17.56	9.23
Naphtha / Aromatic Stream	1,878.94	13,935.15
Lube Oil - Indigenous	0.64	0.62
Total	**461,666.18**	**585,697.71**

31 Purchases of Stock-in-Trade

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Crude Oil & Other Products	33,520.79	5,260.88
Total	**33,520.79**	**5,260.88**

32 Changes in Inventories of Finished Goods and Stock-in-Process

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
32.1	**Closing stock**		
	Finished goods	13,662.03	21,420.80
	Stock-in-process	5,160.98	9,998.46
	Total closing stock	**18,823.01**	**31,419.26**
32.2	**Opening stock**		
	Finished goods	21,420.80	20,661.58
	Less - Change in Method of Accounting #	-	0.08
	Stock-in-process	9,998.46	6,584.44
	Total opening stock	**31,419.26**	**27,245.94**
	Net (Increase) / Decrease (Opening - Closing)	**12,596.25**	**(4,173.32)**

Change in basis of Accounting for stock-in-trade from purchase to consumption in the financial year 2018-19.

33 Employee Benefits Expense

Particulars [refer note 33.1 below]	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and wages	4,153.69	4,054.38
Contribution to provident and other funds	576.32	517.08
Gratuity	16.78	10.74
Post-retirement benefits - medical and others	13.84	12.74
Staff welfare expenses	243.67	213.16
Total	**5,004.30**	**4,808.10**

33.1 The Non Management employees wage revision is due for revision effective from January 1, 2017 and the negotiation with the employees union is in progress. Pending final negotiation, the Company has made provision for wage revision on estimated basis for the year ended March 31, 2020 amounting to ₹ 248.52 million (Year ended March 31, 2019 ₹ 255.70 million) and is shown under 'Employee Benefits Expense'.

34 Finance Costs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Finance expense for financial liabilities measured at amortised cost		
- From Related Party	-	49.13
- From Banks	7,949.12	6,966.03
- From Others	720.73	252.57
	8,669.85	**7,767.73**
Finance Cost on Lease Liabilities	92.86	-
Financial guarantee charges	27.43	18.52
Exchange differences regarded as an adjustment to borrowing cost	3,621.34	2,801.02
Total	**12,411.48**	**10,587.27**

35 Depreciation and Amortisation Expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of Property, Plant and Equipment **[refer Note 5]**	10,604.64	10,457.96
Depreciation Right-of-use assets **[refer Note 6]**	223.71	-
Amortisation of intangible assets **[refer Note 10]**	29.56	17.28
Total	**10,857.91**	**10,475.24**

36 Other Expenses

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
Power, utility and fuel charges				
[refer note 36.1 below]	50,227.97		61,070.13	
Less : Consumption of Fuel from own production	48,368.29	1,859.68	59,586.18	1,483.95
Repairs and maintenance				
- Plant and machinery	5,404.57		4,070.82	
- Buildings	2.90		5.86	
- Others	484.83	5,892.30	425.30	4,501.98
Consumption of Stores, spares and chemicals		1,858.56		2,161.88
Consumption of Packing materials		269.89		369.44
Rent **[refer note 36.4 below note 6.5]**		34.27		277.24
Insurance		436.33		427.22
Rates and Taxes		1,027.98		725.09
Excise Duty on Stock (Net) **[refer note 36.2 below**}		(2,493.88)		455.39
Exchange Rate Fluctuation loss/ (gain) (Net)		8,610.51		3,441.88
Director's sitting fees		4.28		6.20
Loss on sale/ disposal of Property, Plant and Equipment		129.21		90.18
Bank charges		42.93		28.29
Payment to auditors				
Audit fees	3.16		3.23	
For taxation matters	0.70		0.45	
For certification fees	2.52		2.61	
Reimbursement of expenses	1.96	8.34	2.12	8.41
Corporate Social Responsibility Expenses (CSR)				
[refer note 36.3 below]		760.89		313.21
Provision/ Impairment for:				
Doubtful trade receivables	158.41		30.62	
Returnable Stock	-		41.39	
Slow/non-moving Inventories	9.90	168.31	18.01	90.02
Miscellaneous expenses		2,453.20		2,306.11
Total		**21,062.80**		**16,686.49**

36.1 The company has generated a total of 8,229,787 Kwh of Solar power for the year ended March 31, 2020 (Year ended March 31, 2019 8,145,848 Kwh) and the same are captively consumed. The monetary values of such power generated that are captively consumed are not recognised for the purpose of disclosure in the financial statement.

36.2 Excise Duty on sale of goods has been included in'Revenue from operations' and excise duty shown above represents the difference between excise duty on opening and closing stock of finished goods.

36.3 The CSR expenditure comprises the following:

(a) Gross amount required to be spent by the Company during the year: ₹ 1,226.00 million (Year ended March 31, 2019 ₹ 906.30 million).

(b) Amount spent during the year on:

Particulars	Year ended March 31, 2020		
	In Cash	Yet to be paid in cash	Total
i) Construction/acquisition of Assets	368.04	96.55	464.59
ii) Purposes other than (i) above	280.28	16.02	296.30
Total	**648.32**	**112.57**	**760.89**

Particulars	Year ended March 31, 2019		
	In Cash	Yet to be paid in cash	Total
i) Construction/acquisition of Assets	71.02	114.27	185.29
ii) Purposes other than (i) above	99.98	27.94	127.92
Total	**171.00**	**142.21**	**313.21**

36.4 Lease expenses relating to short-term leases, low value leases and variable lease payment are given below:

Particulars	Year ended March 31, 2020
i) Short Term Leases	6.70
ii) Leases for Low Value AsseAts	0.81
iii) Variable Lease Payments not included in lease liabilities	26.76
Total	**34.27**

Particulars	Year ended March 31, 2019
i) Short Term Leases	-
ii) Leases for Low Value Assets	-
iii) Variable Lease Payments not included in lease liabilities	-
Total	**-**

37 Exceptional Items (Income)/Expenses (net)

Particulars [refer note 37.1 below]	Year ended March 31, 2020	Year ended March 31, 2019
Employee Benefits Expense	-	228.73
Power, utility and fuel	-	339.75
Repairs and maintenance - Plant and machinery	-	(420.54)
Total	**-**	**147.94**

37.1 The exceptional items for previous year is on account of :

a) Expense of ₹ 228.73 million towards differential contribution to "MRPL Defined Contribution Pension Scheme" for Management Staff (pertaining to the period January 2007 to March 2018) and Non Management Staff (pertaining to the period April 2007 to March 2018).

b) Expense of ₹ 339.75 million on account of estimated cost of purchase of Renewable Energy Certificate (REC) from Indian Energy Exchange (IEX), as per the direction received from Karnataka Electricity Regulatory Commission, for meeting Renewable Energy Purchase Obligation (RPO) from the financial year 2015-16 to 2017-18 based on company's captive and auxiliary consumption.

c) Income of ₹ 420.54 million relating to reclaim of input tax credit under Goods and Service Tax Act (GST Act) for the financial year 2017-18 represents the credit taken based on annual mix of products covered under GST and products not covered under GST.

38 Income Taxes related to Continuing Operations

38.1 Income Tax recognised in Statement of Profit and Loss

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current Tax	1,037.36	1,355.33
Deferred Tax	(14,630.11)	1,645.68
Total	**(13,592.75)**	**3,001.01**

38.2 The Income Tax expenses reconciliations with the accounting profit are as follows:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit before tax from continuing operations	**(53,984.04)**	**6,513.62**
Income tax expense calculated at 34.944% (2018-2019: 34.944%)	(18,864.18)	2,276.12
Effect of income exempt from tax	8.88	(38.98)
Effect of Profit from Joint venture	(4.05)	(0.89)
Effect of investment allowance u/s 32AC of Income Tax Act, 1961	2.67	20.97
Effect of expenses not deductible in determining taxable profit	237.18	95.02
Effect of recognition of MAT credit of earlier years at 21.3416%	-	(11.70)
Effect of recognition of Prior year tax of previous year [**refer note 14.1**]	1,037.36	(122.06)
Effect of change in deferred tax balance due to true up adjustments	(139.91)	537.68
Effect of exemption under section 10AA of Income Tax Act, 1961.	4,126.92	222.74
Effect of Others	2.38	22.11
Income tax expense recognised in profit or loss	**(13,592.75)**	**3,001.01**

38.3 Income tax recognised in Other Comprehensive Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Arising on income and expenses recognised in Other Comprehensive Income:		
Remeasurement of the Defined Benefit Plans	47.47	32.06
Effective portion of gains / (losses) on hedging instruments in cash flow hedges	0.13	(0.08)
Total income tax recognised in Other Comprehensive Income	**47.60**	**31.98**
Bifurcation of the income tax recognised in Other Comprehensive ncome into:-		
Items that will not be reclassified to profit or loss	47.47	32.06
Items that will be reclassified to profit or loss	0.13	(0.08)

39 Earnings per Equity Share:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit after tax for the year attributable to Equity shareholders	(33,529.18)	3,400.43
Weighted average number of equity shares (Number in million)	1,752.60	1,752.60
Basic and Diluted earnings per equity share (₹)	19.13)	1.94
Face Value per equity share (₹)	10.00	10.00

40 Leases

40.1 Obligations under finance leases

40.1.1 During the year the Company has adopted Ind AS 116 'Leases' effective April 1, 2019. The Company has entered into lease agreements for lands which have been classified as finance leases and the same is now disclosed as Right of Use Assets (ROU). The ownership of the lands will be transferred to the Company at the end of the lease term with nominal payment of administrative charges. The lease term ranges from 5 - 44 years.

Financial lease obligation as at March 31, 2020 is immaterial (As at March 31, 2019 : immaterial).

40.2 Operating lease arrangements

40.2.1 Leasing arrangements

During the year the Company has adopted Ind AS 116 'Leases' effective April 1, 2019. The Company has entered into arrangements for right of way for pipelines and lease of land which have been classified as operating leases and the same is now disclosed as Right of Use Assets (ROU). The lease period for right of way ranges from 11 months to 30 years and for leases of land ranges from 5 to 99 years. In case of leasehold land, the Company does not have option to purchase the land at the end of the lease period. Generally, the lease arrangements for land requires Company to make upfront payments at the time of the execution of the lease arrangement with annual recurring charges with escalations in annual lease rentals.

Subsidiary Company OMPL has entered into land lease agreement for setting up SEZ unit with Mangalore SEZ Limited whose lease period is 47 years. The same has been classified as operating lease. The Company does not have option to purchase the land at the end of the lease period. Further the Company has made upfront payments at the time of the execution of the lease arrangement with annual recurring charges with no escalations in annual lease rentals. The Company has an option to renew the lease agreement for futher period of 47 years after the expiry of the lease term on mutually agreed terms. Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" using the modified retrospective approach.

Subsidiary Company OMPL has also entered into arrangements for lease of residential/office premises and lease of NMPT land which have been classified as operating leases. The average lease period ranges from 11 months to 47 years.

40.2.2 Payments recognized as an expense

During the year the Company has adopted Ind AS 116 'Leases' effective April 1, 2019 and wherever the lease is short term lease, lease for low value assets or variable lease payments are not included in lease liabilities. Previous year figure is not in line with IndAS 116 as the same was not applicable.

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Minimum lease payments	34.27	186.89
Total	**34.27**	**186.89**

40.2.3 Non-cancellable operating lease commitments

The Group does not have any non-cancellable lease arrangements.

41 Employee Benefit Plans

41.1 Defined Contribution Plans

Particulars	Amount recognized during the year		Contribution for Key Management Personnel	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Employer's contribution to Provident Fund	232.98	211.39	1.24	0.86
Employer's contribution to Superannuation Fund **[refer note 37]**	253.56	466.10	1.34	1.38

Provident Fund :

The Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by Government of India. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence, no further provision is considered necessary. The details of fair value of plan assets and obligations are as under:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Obligation at the end of the year	4,772.87	4,057.55
Fair value of Plan Assets at the end of the year	4,836.55	4,125.38

Provident Fund is governed through a separate trust. The board of trustees of the Trust functions in accordance with any applicable guidelines or directions that may be issued in this behalf from time to time by the Central Government or the Central Provident Fund Commissioner. The board of trustees have the following responsibilities :

(i) The investments shall be made in accordance with the pattern of investment prescribed by the Government of India in Rule 67 of Income Tax Rules, 1962, and /or directions given by the Central Government, from time to time.

(ii) The Board of Trustees may raise such sum or sums of money as may be required for meeting obligatory expenses such as settlement of claims, grant of advances as per rules, and transfer of member's P.F. accumulations in the event of his / her leaving service of the Employer and any other receipts by sale of the securities or other investments standing in the name of the Fund subject to the prior approval of the Regional Provident Fund Commissioner.

(iii) Fixation of rate of interest to be credited to members' accounts.

41.2 Other long term employee benefits

41.2.1 Brief Description: A general description of the type of Other long-term employee benefits are as follows:

a) Earned Leave Benefit (EL):

Accrual – 32 days per year

Accumulation up to 300 days allowed

EL accumulated in excess of 15 days is allowed for encashment while in service provided the EL encashed is not less than 5 days.

b) Half Pay Leave (HPL)

Accrual – 20 days per year

Encashment while in service is not allowed

Encashment on retirement is permitted; restricted up to 300 days along with Earned leave.

41.2.2 The liability for leaves are recognized on the basis of actuarial valuation.

41.3 Defined benefit plans

41.3.1 Brief Description: A general description of the type of Defined benefit plans are as follows:

a) Gratuity:

15 days salary for every completed year of service. Vesting period is 5 years and the payment is restricted to ₹ 2 million.

The MRPL- Gratuity Trust was formed on 20th April, 2007 and investments of the funds received from the company after actuarial valuation and the investment of the funds upto June 28, 2013 was made in the manner prescribed by Income tax Rule 67(1) of the Income Tax Rules ,1962 as amended from time to time.

The Funds of MRPL- Gratuity Trust after June 28, 2013 is being invested in Group Gratuity Cash Accumulation Scheme (Traditional Fund) in LIC, Bajaj Allianz, HDFC Standard Life Insurance Co., Birla Sunlife Insurance co and India First Life Insurance Co.

b) Post-Retirement Medical Benefits:

After retirement, on payment of one time lump sum contribution, the superannuated employee and his/her dependent spouse and dependent parents will be covered for medical benefit as per the rules of the Company.

c) Resettlement Allowance:

At the time of superannuation, employees are entitled to settle at a place of their choice and they are eligible for Settlement Allowance.

d) Termination Benefits :

i) Premature Retirement on Medical Grounds

The Company has an approved scheme of Premature Retirement on Medical Grounds. Ex gratia payment equivalent 60 days emolument for each completed year of service or the monthly emoluments at the time of retirement multiplied by the balance months of service left before normal date of retirement, whichever is less is payable apart from Superannuation Benefits.

ii) Scheme for Self Insurance for providing lump-sum monetary compensation

Under the scheme of 'Post Retirement Benefit and Benefit on Separation', in case of employee suffering death or permanent total disablement due to an accident arising out of and in the course of employment, a compensation equivalent to 100 months Basic Pay plus Dearness Allowance (DA) without laying down any minimum amount is payable.

iii) Benefits of Separation under SABF

In case of death / permanent disablement of an employee while in service in the Company, the beneficiary has to exercise desired options available within 6 months from the date of death / permanent total disablement.

41.3.2 The liabilities for Defined Benefit Plans (other than Termination Benefits) are recognized on the basis of actuarial valuation and charged to Statement of Profit and Loss. Termination Benefits are charged to Statement of Profit and Loss as and when incurred .

41.3.3 These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently it has a relatively balanced mix of investments in government securities, insurance investment and other debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

In respect of the plans, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2020 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

41.3.4 The principal assumptions used for the purposes of the actuarial valuations were as follows.

Sl. No.	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	Gratuity(Funded)		
1	Expected return on plan assets	6.86%	7.79%
2	Rate of discounting	6.86%	7.79%
3	Rate of salary increase	7.50%	7.50%
4	Rate of employee turnover	2.00%	2.00%
5	Mortality rate during employment	Indian Assured lives Mortality (2006-08)	Indian Assured lives Mortality (2006-08)
	Post-Retirement Medical Benefits		
1	Rate of discounting	6.86%	7.79%
2	Medical cost inflation	0.00%	0.00%
3	Rate of employee turnover	2.00%	2.00%
4	Mortality rate during employment	Indian Assured lives Mortality (2006-08)	Indian Assured lives Mortality (2006-08)
5	Mortality rate after employment	Indian Assured lives Mortality (2006-08)	Indian Assured lives Mortality (2006-08)
	Resettlement Allowance:		
1	Rate of discounting	6.86%	7.79%
2	Rate of salary increase	7.50%	7.50%
3	Rate of employee turnover	2.00%	2.00%
4	Mortality rate during employment	Indian Assured lives Mortality (2006-08)	Indian Assured lives Mortality (2006-08)

The rate of discounting based upon the market yield available on Government bonds at the accounting date with a term that matches. The salary growth takes account inflation, seniority, promotion and other relevant factor on long term basis. Expected rate of return on plan assets is based on market expectation, at the beginning of the year, for return over the entire life of the related obligation.

41.3.5 Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:

Gratuity:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Service Cost :		
Current service cost	32.30	30.38
Net interest expense	7.63	4.80
Past Service Cost	-	-
Components of defined benefit costs recognised in employee benefit expenses	**39.93**	**35.18**
Remeasurement on the net defined benefit liability:		
Return on plan assets excluding amounts included in net interest cost	(0.76)	(8.03)
Actuarial (gains) / losses arising from changes in financial assumptions	98.10	72.84
Actuarial (gains) / losses arising from experience adjustments	18.63	(2.01)
Components of Remeasurement	**115.97**	**62.80**
Total	**155.90**	**97.98**

Post-Retirement Medical Benefits:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Service Cost		
Current service cost	5.13	5.05
Net interest expense	6.06	5.60
Components of defined benefit costs recognised in employee benefit expenses	**11.19**	**10.65**
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in financial assumptions	11.58	0.64
Actuarial (gains) / losses arising from experience adjustments	4.24	1.13
Components of Remeasurement	**15.82**	**1.77**
Total	**27.01**	**12.42**

Resettlement Allowance:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Service Cost		
Current service cost	1.48	1.23
Net interest expense	1.16	0.85
Components of defined benefit costs recognised in employee benefit expenses	**2.64**	**2.08**
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in financial assumptions	2.21	3.81
Actuarial (gains) / losses arising from experience adjustments	(2.22)	1.11
Components of Remeasurement	**(0.01)**	**4.92**
Total	**2.63**	**7.00**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income. The components of remeasurement of net defined benefit liability recognised in other comprehensive income is ₹ (-) 131.78 million (previous year ₹ (-) 69.49 million)

41.3.6 Movements in the present value of the defined benefit obligation are as follows:
Gratuity:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening defined benefit obligation	934.77	797.05
Current service cost	32.30	30.38
Past Service Cost	-	-
Interest cost	72.82	62.57
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in financial assumptions	98.10	72.84
Actuarial gains and losses arising from experience adjustments	18.63	(2.01)
Benefits paid	(33.07)	(26.06)
Closing defined benefit obligation	**1,123.55**	**934.77**
Current obligation	155.90	97.98

Post-Retirement Medical Benefits:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening defined benefit obligation	77.83	71.39
Current service cost	5.13	5.05
Interest cost	6.06	5.60
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in financial assumptions	11.58	0.64
Actuarial gains and losses arising from experience adjustments	4.24	1.13
Benefits paid	(9.62)	(5.98)
Closing defined benefit obligation	**95.22**	**77.83**
Current obligation	2.95	2.56
Non-Current obligation	92.27	75.27

Resettlement Allowance:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening defined benefit obligation	14.88	10.85
Current service cost	1.48	1.23
Interest cost	1.16	0.85
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in financial assumptions	2.21	3.81
Actuarial gains and losses arising from experience adjustments	(2.22)	1.11
Benefits paid	(0.43)	(2.97)
Closing defined benefit obligation	**17.08**	**14.88**
Current obligation	0.50	0.39
Non-Current obligation	16.58	14.49

41.3.7 The amount included in the Balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows :

Gratuity:

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Present value of funded defined benefit obligation	(1,123.55)	(934.77)
Fair value of plan assets	967.65	836.79
Funded status	**(155.90)**	**(97.98)**
Restrictions on asset recognised	-	-
Net liability arising from defined benefit obligation	**(155.90)**	**(97.98)**

The amounts included in the fair value of plan assets of gratuity fund in respect of Company's own financial instruments and any property occupied by, or other assets used by the reporting enterprise are ₹ Nil (As at March 31, 2019 ₹ Nil).

Post-Retirement Medical Benefits, terminal benefits and Resettlement allowances are unfunded plans, and no plan assets are involved.

41.3.8 Movements in the fair value of the plan assets are as follows :

Gratuity:

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Opening fair value of plan assets	836.79	735.95
Interest income	65.19	57.77
Return on plan assets (excluding amounts included in net interest expense)	0.76	8.03
Contributions by the employer	97.98	61.10
Benefits paid	(33.07)	(26.06)
Closing fair value of plan assets	**967.65**	**836.79**

Expected Contribution in respect of Gratuity for next year will be ₹ 151.16 million (For the year ended March 31, 2019 ₹ 85.61 million)

The Company has recognized a gratuity liability of ₹ 155.90 million as at March 31, 2020 (As at March 31, 2019 ₹ 97.98 million).

41.3.9 The fair value of the plan assets at the end of the reporting period for each category, are as follows.

Fair value of plan assets as at

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash and Cash equivalents	22.92	1.00
Equity Investment	-	-
Mutual Fund-UTI Treasury Fund	19.21	20.23
Debt investment categorised by issuer's credit rating		
AAA	31.12	36.44
AA+	0.30	5.01
AA	-	2.03
AA-	-	-
A+	7.01	-
A-	-	3.01
BBB+	-	3.01
Group Gratuity Cash Accumulation Scheme (Traditional Fund)		
Life Insurance Corporation of India	186.84	156.90
Bajaj Allianz	167.93	137.01
HDFC Standard Life Insurance Co.	169.01	140.00
Birla Sunlife Insurance Co.	93.29	70.26
India First Life Insurance Co.	93.34	70.26
Investment in Government Securities	121.13	139.69
Other current assets - Interest Accrued	55.55	51.94
Total	**967.65**	**836.79**

41.3.9.1 The actual return on plan assets of gratuity was ₹ 65.19 million (As at March 31, 2019 ₹ 57.77 million) .

41.3.10 Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

41.3.11 Sensitivity Analysis as at March 31, 2020

Significant actuarial assumptions	Gratuity	Post-Retirement Medical Benefits	Resettlement Allowance
Rate of discounting			
- Impact due to increase of 50 basis points	(54.57)	(6.51)	(1.24)
- Impact due to decrease of 50 basis points	59.25	7.26	1.38
Rate of salary increase			
- Impact due to increase of 50 basis points	18.71	-	1.36
- Impact due to decrease of 50 basis points	(18.99)	-	(1.24)
Rate of Employee turnover			
- Impact due to increase of 50 basis points	15.18	(2.76)	-
- Impact due to decrease of 50 basis points	(16.10)	2.51	-

41.3.12 Sensitivity Analysis as at March 31, 2019

Significant actuarial assumptions	Gratuity	Post-Retirement Medical Benefits	Resettlement Allowance
Rate of discounting			
- Impact due to increase of 50 basis points	(44.11)	(5.09)	(1.06)
- Impact due to decrease of 50 basis points	47.78	5.65	1.17
Rate of salary increase			
- Impact due to increase of 50 basis points	15.56	-	1.17
- Impact due to decrease of 50 basis points	(15.97)	-	(1.06)
Rate of Employee turnover			
- Impact due to increase of 50 basis points	16.15	(2.02)	0.03
- Impact due to decrease of 50 basis points	(17.15)	1.72	(0.04)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

41.3.13 Following are the details relating to the defined benefit plans that have a significant bearing on Company's future cash flows:

Gratuity:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Number of active members	1,939	1,939
Per month salary for active members	178.89	160.97
Weighted average duration of the Projected Benefit Obligation (years)	12	12
Average Expected future service (years)	16	17
Projected benefit obligation	1,123.55	934.77
Contribution to the defined benefit plan during the next financial year	178.89	130.29

Post-Retirement Medical Benefits:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Number of active members	1,939	1,943
Number of retired employees	126	112
Weighted average duration of the Projected Benefit Obligation (years)	15	15
Average expected future service (years)	17	17
Projected benefit obligation	95.22	77.83

Resettlement Allowance:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Number of active members	1,939	1,943
Per month salary for active members	178.89	161.10
Weighted average duration of the Projected Benefit Obligation (years)	15	16
Average expected future service (years)	16	17
Projected benefit obligation	17.08	14.88

41.3.14 Maturity Profile for Defined Benefit Obligations

Defined Benefit	Year ended March 31, 2020	Year ended March 31, 2019
Gratuity		
Less than one year	66.61	49.49
One to Three years	116.46	108.58
Three to Five years	134.14	122.20
Five years to Ten years	462.47	398.88
Post-Retirement Medical Benefits		
Less than one year	2.95	2.55
One to Three years	6.27	5.70
Three to Five years	7.12	6.52
Five years to Ten years	25.25	22.30
Resettlement Allowance		
Less than one year	0.50	0.39
One to Three years	0.92	0.91
Three to Five years	0.97	0.89
Five years to Ten years	3.05	2.66

Employee benefit disclosure of Subsidiary OMPL

41.4 Defined benefit plans

41.4.1 Brief Description: A general description of the type of employee benefits plans is as follows:

41.4.2 Gratuity:

15 days salary for every completed year of service. Vesting period is 5 years and the payment is restricted to maximum of ₹ 2 million.

41.4.3 This plans typically expose the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest risk	A decrease in the bond interest rate will increase the plan liability
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In respect of gratuity, the actuarial valuation was carried out as at March 31, 2020 by M/s. K. A. Pandit Consultants and Actuaries, Fellow firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

41.4.4 The principal assumptions used for the purposes of the actuarial valuations were as follows:

Sl. No.	Particulars	As at March 31, 2020	As at March 31, 2019
1	Discount rate	6.82%	7.78%
2	Annual increase in salary	8.00%	8.00%
3	Employee turnover	2.00%	2.00%

In respect of gratuity, the actuarial valuation was carried out as at March 31, 2020 by M/s. K. A. Pandit Consultants and Actuaries, Fellow firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

41.4.5 Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Service Cost :		
Current service cost	12.30	7.57
Past service cost	-	-
Net interest expense	5.00	2.65
Components of defined benefit costs recognised in employee benefit expenses	**17.30**	**10.22**
Re-measurement on the net defined benefit liability:		
Actuarial (gains)/losses arising from experience adjustments	4.20	21.67
Components of remeasurment	**4.20**	**21.67**
Total	**21.50**	**31.89**

41.4.6 Movements in the present value of the defined benefit obligation are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	64.32	33.72
Current service cost	12.30	7.57
Past service cost	-	-
Interest cost	5.00	2.65
Benefit paid directly by the employer	(0.81)	(1.29)
Re-measurement (gains)/losses:		
Actuarial gains and losses arising from changes in financial assumptions	12.02	0.89
Actuarial gains and losses arising from experience adjustments	(7.81)	20.78
Closing defined benefit obligation	**85.02**	**64.32**
Current obligation	1.46	1.94
Non-Current obligation	83.56	62.38

41.4.7 The amount included in the Balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of funded defined benefit obligation	(85.02)	(64.32)
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	(85.02)	(64.32)

41.4.8 Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and employee turnover. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Sensitivity analysis as on March 31, 2020

Significant actuarial assumptions	Gratuity
Discount Rate	
- Impact due to increase of 50 basis points	(6.57)
- Impact due to decrease of 50 basis points	7.34
Salary increase	
- Impact due to increase of 50 basis points	6.18
- Impact due to decrease of 50 basis points	(6.00)
Employee turnover	
- Impact due to increase of 50 basis points	(0.81)
- Impact due to decrease of 50 basis points	0.87

41.4.9 Sensitivity analysis as on March 31, 2019

Significant actuarial assumptions	Gratuity
Discount Rate	
- Impact due to increase of 50 basis points	(4.72)
- Impact due to decrease of 50 basis points	5.26
Salary increase	
- Impact due to increase of 50 basis points	4.21
- Impact due to decrease of 50 basis points	(4.22)
Employee turnover	
- Impact due to increase of 50 basis points	(0.09)
- Impact due to decrease of 50 basis points	0.09

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

42 Segment Reporting

The Group has "Petroleum Products" as single reportable segment.

42.1 Information about major customers

Company's significant revenues are derived from sales to oil marketing companies which is 57% and 53% of the Company's sales related to petroleum products for the year ending March 31, 2020 & March 31, 2019 respectively. The total sales to such companies amounted to ₹ 328,952.62 million for the year ended March 31, 2020 and ₹ 380,910.31 million for the year ended March 31, 2019.

No customer (excluding oil marketing companies mentioned above) for the years ended March 31, 2020 and March 31, 2019 contributed 10% or more to the Company's revenue.

Subsidiary Company OMPL's significant revenues are derived from sales to export customers which is 87% (Year ended March 31, 2019 : 85%) of the Company's total revenue. The total sales to such customers amounted to ₹ 42,352.65 million for the period ended March 31, 2020 and ₹ 70,704.29 million for the year ended March 31, 2019.

Three customers (Year ended March 31, 2019 Three Customers) for the period ended March 31, 2020 contributed 10% or more to the Company's revenue. The total sales to such customers amounted to ₹ 42,348.10 million for the period ended March 31, 2020 and ₹ 63,547.28 million for the year ended March 31, 2019.

42.2 Information about geographical areas:

a) The Group is domiciled in India. The amount of its revenue from customers broken down by location of customers is tabulated below:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
India	397,339.93	448,934.32
Other Countries	201,354.02	285,755.33
Total	**598,693.95**	**734,689.65**

b) Non-current assets (excluding financial assets and deferred tax assets) broken down by location of customers is tabulated below:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
India	232,131.41	227,063.60
Other Countries	-	-
Total	**232,131.41**	**227,063.60**

42.3 Revenue from major products

The following is an analysis of the Company's revenue from continuing operations from its major products:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
High speed Diesel (HSD)	303,698.47	355,141.34
Motor Spirit (MS)	75,719.55	87,107.06
Total	**379,418.02**	**442,248.40**

Threshold limit of 10% of total turnover of each product is considered for reporting revenue from major products.

43 Related Party Disclosures

43.1 Name of related parties and description of relationship:

A Entity having control over the Company (Holding Company)

Oil and Natural Gas Corporation Limited (ONGC)

B Entity having significant influence over the Company

Hindustan Petroleum Corporation Limited (HPCL)

C Subsidiary

ONGC Mangalore Petrochemicals Limited (OMPL)

D Joint Ventures

Shell MRPL Aviation Fuels and Services Limited (SMAFSL)

E Trusts (including post retirement employee benefit trust) where in MRPL is having control

1 MRPL Gratuity Fund Trust

2 MRPL Provident Fund Trust

F Key Management Personnel

F.1 Non-Executive directors

Shri Shashi Shanker, Chairman

F.2 Executive Directors

1 Shri M. Venkatesh, Managing Director, holding additional charge of Director (Refinery) till July 11, 2019 and Charge of Director (Finance) till October 15, 2019

2 Shri M Vinayakumar, Director (Refinery), from July 11,2019.

3 Smt. Pomila Jaspal, Director (Finance), from October 15, 2019.

F.3 Other Non-Executive Directors

1 Shri Vinod S. Shenoy, Nominee Director (HPCL)

2 Shri Subhash Kumar, Nominee Director (ONGC)

3 Shri K.M. Mahesh, Government Nominee Director, till October 17, 2019.

4 Shri Sanjay Kumar Jain, Government Nominee Director, till January 08, 2020

5 Ms.Manjula C, Independent Director, till January 31, 2020.

6 Shri V.P. Haran , Independent Director

7 Shri Sewa Ram , Independent Director

8 Dr. G.K. Patel , Independent Director

9 Shri Balbir Singh Yadav, Independent Director

10 Shri Vivek Mallya, Independent Director, till January 30, 2020

11 Shri R T Agarwal, Independent Director, from July 12, 2019.

12 Shri Vijay Sharma, Government Nominee, from January 08, 2020.

13 Shri Sunil Kumar, Government Nominee, from October 17, 2019.

F.4 Chief Financial Officer

1 Smt. Pomila Jaspal, Director (Finance) & CFO, from November 04, 2019.

2 Shri S. Raviprasad, CFO, upto November 04, 2019.

F.5 Company Secretary

Shri Dinesh Mishra, Company Secretary

43.2 Details of Transactions:

43.2.1 Transactions with Holding Company

Oil and Natural Gas Corporation Limited (ONGC)	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Sales of products	Sale of Oil Products etc	5,649.26	8,694.55
Purchases of Crude	Purchase of Crude Oil etc	41,538.37	54,415.27
Services received	a) Deputation of ONGC Employees	2.53	6.45
	b) Rent and Electricity Charges for Mumbai and Delhi Office & reimbursement of expenses	74.32	48.97
Guarantee Fees	Charges for Guarantee given to Saudi Aramco	34.24	16.52
Dividend	Dividend Paid	1,255.35	3,766.06
Loan	Repayment of Loan	-	18,856.90
Interest Expense	Interest on Term Loan	-	549.13

43.2.2 Outstanding balances with Holding Company

Oil and Natural Gas Corporation Limited (ONGC)	Nature of Transactions	As at March 31, 2020	As at March 31, 2019
Amount receivable	Sale of products	679.16	6.92
Amount payable	Purchase of Crude Oil	1,746.97	4,102.59
Amount payable	Others for expenses	18.22	25.88

43.2.3 Transactions with Entity having significant influence over the Company

Hindustan Petroleum Corporation Limited (HPCL)	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Sales	Sale of Oil products etc	148,663.53	156,578.87
Services provided	a) Loading arm, pipeline charges etc.	1.64	-
	b) Reimbursement of Expenses, facilitation charges	8.01	9.73
	c) Receipts of contaminated products, Hospitality Charges, Wharfage etc.	10.24	44.56
Dividend	Dividend Paid	297.15	891.46

43.2.4 Outstanding balances with Entity having significant influence over the Company

Hindustan Petroleum Corporation Limited (HPCL)	Nature of Transactions	As at March 31, 2020	As at March 31, 2019
Amount receivable	Sale of Oil products etc.	5,769.37	7,168.79
	Others reimbursements	40.27	40.26
Amount payable	Others for expenses	4.94	2.39

43.2.5 Transactions with Subsidiary

ONGC Mangalore Petrochemicals Limited (OMPL)	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Sales of products	Sale of products	49,089.74	59,579.45
Purchase of products	Purchases	7,657.24	15,863.32
Services received	a) Salary for OMPL staff on deputation etc	2.75	1.22
	b) Road Facility	-	(0.43)
Services provided	a) Facilitation Charges	57.14	68.82
	b) Deputation of MRPL Employees & other expenses	23.97	32.16
	c) Consultancy back charges/credit note for metering	-	5.36
Investment in Equity	Investment in Equity	2,550.09	1,530.05
Interest income and Other Recovery	Reimbursement of Charges	397.44	158.57

43.2.6 Outstanding balances with Subsidiary

ONGC Mangalore Petrochemicals Limited (OMPL)	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Loans	Short Term Loans & Advances	0.39	2.96
Amount receivable	Sales of Oil products, Facilitation Charges & Others	943.45	2,491.87
Amount payable	Purchase of Raffinate, Hydrogen & Other Service Charges	65.72	570.65
Commitments	a) On account of bill discounting of OMPL invoices with recourse to MRPL	6,324.45	-
	b) Backstopping support by MRPL for Compulsorily Convertible Debentures issued by OMPL	5,100.00	-
	c) Backstopping support for Interest accrued on Compulsorily Convertible Debentures issued by OMPL	-	-

43.2.7 Transactions with Joint Ventures:

Shell MRPL Aviation Fuels and Services Ltd (SMAFSL)	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Sales of products	Petroleum Products	7,409.25	6,434.29
Services provided	a) Reimbursement of Expenses	0.07	0.02
	b) Royalty Income	12.65	9.73
Dividend Income	Dividend received	6.00	21.00

43.2.8 Outstanding balances with Joint Ventures:

Shell MRPL Aviation Fuels and Services Ltd (SMAFSL)	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Amount receivable:	Royalty and Terminalling Charges etc.	318.56	496.31

43.2.9 Transactions with Other Related Parties Associates :

Name of Associates	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
a) Services received from:			
1. Mangalore SEZ Limited	River Water, STP Water & Road Repairs	692.69	616.34
2. Petronet MHB Limited	Pipeline Transportation Charges & other expenses	110.95	54.18
3. ONGC Nile Ganga BV	Purchase of Crude Oil etc	0.11	17,740.96
b) Services provided to:			
4. ONGC Nile Ganga BV	Tendering services	0.70	0.08
5. ONGC Campos Ltda	Tendering services	-	0.06
6. Petronet MHB Limited	Reimbursement of Electricity Charges etc	28.78	36.95

43.2.10 Outstanding balances with Other Related Parties Associates :

Name of Associates	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Amount receivable:			
1. Petronet MHB Limited	Reimbursement of Electricity Charges etc	-	37.48
2. ONGC Nile Ganga BV	Outstanding on account of services	0.12	0.08
3. ONGC Campos Ltda	Outstanding on account of services	0.10	0.10
4. Mangalore SEZ Limited	River Water, STP Water and Road Repairs	129.30	-
Amount payable:			
1. Mangalore SEZ Limited	River Water, STP Water and Road Repairs etc	-	44.49
2. Petronet MHB Limited	Pipeline Transportation Charges and other expenses	15.38	-
3. ONGC Nile Ganga BV	Balance Outstanding on account of Crude procurement etc	-	39.05

43.2.11 Transactions with Trusts

Name of Associates	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Remittance of payments:			
Provident Fund of MRPL Limited	Contributions	525.98	462.76
Reimbursement of Gratuity payment made on behalf of Trust:			
MRPL Gratuity Fund Trust	Reimbursements and Contributions	33.07	38.85

43.2.12 Compensation to Key Management Personnel:

Whole Time Directors/ Company Secretary/ Chief Financial Officer Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Short Term employee benefits	5.86	23.66
Post-employment benefits (includes provision for leaves, gratuity and other post retirement benefits)	6.72	8.61
Other long-term benefits (includes contribution to provident fund)	2.59	2.21
Total	**35.17**	**34.48**

Loans / Accrued Interest on Loan to directors and other officers:

Whole Time Directors/ Company Secretary/ Chief Financial Officer Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Loans to Director and Company Secretary	0.67	0.82
Accrued interest on Loans to Director and Company Secretary	0.12	0.11
Total	**0.79**	**0.93**

Loans / Accrued Interest on Loan to directors and other officers:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sitting Fees	4.28	6.20

43.3 Disclosure in respect of Government related entities [refer note 43.3.4 below]:

43.3.1 Name of Government related entities and description of relationship wherein significant amount of transactions were carried out:

Sl. No.	Government related entities	Relation
1	Bharat Petroleum Corporation Ltd (BPCL)	Central PSU
2	Indian Oil Corporation Limited (IOCL)	Central PSU
3	Bharat Heavy Electrical Limited (BHEL)	Central PSU
4	Oriental Insurance Co. Limited	Central PSU
5	Bridge & Roof Co (India) Limited	Central PSU
6	Engineers India Limited	Central PSU
7	The Shipping Corporation of India Limited	Central PSU
8	Konkan Railway Corporation Limited	Central PSU
9	Indian Strategic Petroleum Reserves Limited (ISPRL)	Central Government
10	Centre for High Technology	Central Government
11	Indian Railways	Central Government
12	Karnataka Power Transmission Corporation Limited	State Government
13	Karnataka Industrial Area Development Board	State Government
14	New Mangalore Port Trust	Central Port Trust

43.3.2 Transactions with Government related Entities [refer note 43.3.4 below]:

Name of entity	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
A Sale of products, others during year to:			
1 Indian Oil Corporation Limited (IOCL)	Sale of Crude Oil / Petroleum products	113,002.64	120,102.25
2 Bharat Petroleum Corporation Ltd (BPCL)	Sale of petroleum products	49,974.93	87,668.44
3 New Mangalore Port Trust	Sale of petroleum products	2.99	2.37
4 Indian Strategic Petroleum Reserves Limited (ISPRL)	Sale of Crude oil/ petroleum products	-	5,342.30
5 Indian Railways	Sale of petroleum products	1,077.89	-
B Purchase of product during year from:			
1 Bharat Heavy Electrical Ltd	Other supplies	01.94	62.52
2 Indian Oil Corporation Limited (IOCL)	Purchase of Naphtha / Contaminated Product / Lubes	17.05	1.39
3 Bharat Petroleum Corporation Ltd (BPCL)	Purchase of Contaminated Product	.00	0.96
4 Indian Strategic Petroleum Reserves Limited (ISPRPL)	Purchase of Crude Oil	28,766.70	
C Service Provided			
1 Indian Strategic Petroleum Reserves Limited (ISPRL)	Deputation of MRPL Employees	8.03	9.43
2 Indian Oil Corporation Limited (IOCL)	On account of Pipeline, loading arm charges	1.08	-
D Services Received from:			
1 Karnataka Power Transmission Corporation Ltd	Purchase of electricity	207.34	204.59
2 Oriental Insurance Co. Ltd	Insurance premium	378.24	316.81
3 New Mangalore Port Trust	Port Services others	1,113.23	394.52
4 Bridge & Roof Co (India) Ltd	Job Work Service	1,304.88	1,118.60
5 Engineers India Ltd	Technical Services	288.56	397.74
6 The Shipping Corporation of India Ltd	Service	3,034.08	2,044.40
7 New Mangalore Port Trust	Port Services	160.06	1,275.37
8 Konkan Railway Corporation Limited	Railway Siding	177.27	-
9 Indian Oil Corporation Limited (IOCL)	Testing Fees & Demurrage	-	3.02
10 Bharat Petroleum Corporation Ltd (BPCL)	PT Programme Services	0.18	0.06
11 Bharat Heavy Electrical Ltd	Other services	67.80	-
E Advance for Acquisition for Land			
1 Karnataka Industrial Area Development Board	Purchase of Phase IV Land	-	158.23

43.3.3 Outstanding balances with Government related entities [refer note 43.3.4 below]:

Name of entity	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Amount receivable:			
1 Indian Oil Corporation Limited	Trade and other receivable	935.79	7,306.93
2 Bharat Petroleum Corporation Ltd	Trade and other receivable	1,084.60	2,445.86
3 Indian Strategic Petroleum Reserves Limited (ISPRL)	Trade and other receivable	6.78	1.36
4 New Mangalore Port Trust	Trade and other receivable	300.18	222.66
5 Indian Railways	Trade and other receivable	356.02	-
Advance to Vendors :			
1 Centre for High Technology	Advance	28.57	29.62
2 Karnataka Industrial Area Development Board	Advance for Land etc.	6,951.99	7,175.77
3 Indian Strategic Petroleum Reserves Limited (ISPRL)	Advance	0.39	7.53
Amount payable:			
1 Bridge & Roof Co (India) Ltd	Trade and other payable	135.95	114.05
2 Engineers India Ltd	Trade and other payable	143.69	157.93
3 Bharat Heavy Electrical Ltd	Trade and other payable	883.41	874.55
4 The Shipping Corporation of India Ltd	Trade and other payable	131.41	118.23
5 Konkan Railway Corporation Limited	Trade and other payable	16.85	-
6 Karnataka Power Transmission Corporation Ltd	Trade and other payable	17.62	20.08
7 Indian Oil Corporation Limited	Trade and other payable	0.08	0.08
8 Indian Strategic Petroleum Reserves Limited (ISPRL)	Trade and other payable	6,462.22	-

The above transactions with the government related entities cover transactions that are significant individually and collectively. The Company has also entered into other transactions such as telephone expenses, air travel, fuel purchase and deposits etc. with above mentioned and other various government related entities. These transactions are insignificant individually and collectively and hence not disclosed.

43.3.4 Relationship, transactions and outstanding balances with ONGC, HPCL, OMPL, PMHBL and ONGC Nile Ganga BV have been disclosed in Note 43.2.1 to 43.2.10 above.

43.4 Related party disclosures of Subsidiary OMPL

43.4.1 Name of related parties and description of relationship:

A Ultimate holding company

Oil and Natural Gas Corporation Limited (ONGC)

B Subsidiary of Ultimate holding company

Hindustan Petroleum Corporation Limited (HPCL)

C Joint Venture of Ultimate holding company

Mangalore SEZ Limited (MSEZL)

D Key Management Personnel

D.1 Non-Executive directors

Shri Shashi Shanker (Chairman) (w.e.f. 11th October 2017)

Shri M. Venkatesh Director (w.e.f. 01st April 2015)

Shri Rajesh Shyamsunder Kakkar (w.e.f. 15th May 2018)

Shri Sanjay Kumar Moitra (w.e.f. 15th May 2018)

Smt Alka Mittal, Director (w.e.f 28th February 2015)

Shri Vinay Kumar, Director (w.e.f. 14th November 2018)

Smt Pomila Jaspal, Director (w.e.f. 26th November 2019)

Shri H. Kumar, Director (upto 30th May 2018)

Shri A. K. Sahoo, Director (upto 11th December 2018)

D.2 Shri. K Sushil Shenoy, Chief Financial Officer & Chief Executive Officer I/c (upto 30th September, 2018)

D.3 Shri. Sujir S Nayak, Chief Executive Officer (w.e.f. 1st October, 2018)

D.4 Shri. Surendra Nayak, Chief Financial Officer (Deputation from holding company w.e.f. 1st October, 2018)

D.5 Shri. K.B. Shyam Kumar, Company Secretary (w.e.f. 13th August, 2014)

43.5 Details of transactions:

43.5.1 Transactions with ultimate holding company and joint venture and subsidiary of ultimate holding company -

Name of related party	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Oil and Natural Gas Corporation Limited	Infusion of Equity	2,449.90	1,469.94
	Services rendered	0.32	-
Mangalore SEZ Limited*	Supplies and services received	386.83	391.87
	Security deposit for Zone O&M power	9.38	-
	Lease rent	23.40	23.40
Hindustan Petroleum Corporation Limited	Purchase of products	361.26	281.55

* An amount of ₹ 62.76 million earmarked by MSEZL as third party share payable to the company towards pipeline-cum-road corridor usage which is not considered in the current period as the same has not been finalized pending freezing of the project cost of pipeline corridor project.

43.5.2 Outstanding balances with ultimate holding company and joint venture and subsidiary of ultimate holding company -

Name of related party	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
A. Amount payable:			
Mangalore SEZ Limited	Trade and other payables	126.63	126.63
Hindustan Petroleum Corporation Limited	Trade and other payables	0.05	-
B. Amount receivable:		-	662.01
Mangalore SEZ Limited	Trade and other receivables	52.72	0.87
Oil and Natural Gas Corporation Limited	Trade and other receivables	0.37	0.05
C. Loans and other assets:			
Mangalore SEZ Limited	Security deposit (Power)	3.59	3.59
	Security deposit (Power)	15.40	15.40
	Security deposit (Water)	3.13	3.13
	Security deposit (Zone O&M)	9.38	-

43.5.3 Compensation of key management personnel

A. Chief Executive Officer*

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Short term employee benefits	4.85	3.69
Post-employment benefits (gratuity) & long-term benefit (Compensated absences)	2.43	2.27
Contribution to provident fund	0.54	0.50
Total	**7.82**	**6.46**

* Chief Executive Officer is appointed w.e.f 1st October 2018

B. Chief Financial Officer*

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Short term employee benefits	-	1.74
Post-employment benefits (gratuity) & long-term benefit (Compensated absences)	-	1.53
Contribution to provident fund	-	0.25
Total	**-**	**3.52**

* Chief Financial Officer superannuated on 30th September 2018

Note: The Company has reimbursed ₹ 4.79 million (As at 31st March 2019 ₹ 2.10 million) during the year towards secondment of Shri Surendra Nayak as Chief Financial Officer from holding company w.e.f 1st October 2018.

C. Company secretary

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Short term employee benefits	3.06	2.27
Post-employment benefits (gratuity) & long-term benefit (Compensated absences)	0.97	0.74
Contribution to provident fund	0.34	0.28
Total	**4.37**	**3.29**

43.6 Disclosure in respect of Government related entities :

43.6.1 Name of Government related entities and description of relationship wherein significant amount of transactions were carried out: (Other than those which are disclosed in 43.5)

S. No.	Government related entities	Relation
i	Bridge and Roof Co. (India) Ltd.	Central PSU
ii	Engineers India Limited	Central PSU
iii	National Insurance Company Limited	Central PSU
iv	Karnataka State Pollution Control Board	State Govt
v	New Mangalore Port Trust	Trust
vi	Balmer Lawrie & Co. Ltd.	Central PSU
vii	The New India Assurance Company Limited	Central PSU
viii	Central Warehousing Corporation	Central Govt.
ix	Bharat Petroleum Corporation	Central PSU
x	Gail India Ltd.	Central PSU
xi	Stock Holding Corporation of India	Central Govt.
xii	Ministry of Corporate Affairs	Central Govt.
xiii	BSNL	Central PSU
xiv	National Informatics Centre	Central Govt.
xv	United India Insurance Co. Ltd.	Central PSU

43.6.2 Transaction with Government related Entities (Other than those which are disclosed in 43.5.1)

Name of related party	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Engineers India Limited	Services	21.27	16.99
National Insurance Company Limited	Services	0.43	29.38
Karnataka State Pollution Control Board	Services	0.00	0.07
New Mangalore Port Trust	Port Services	53.56	84.18
Balmer Lawrie & Co. Ltd.	Services	12.44	5.34
New India Assurance Company Limited	Services	117.18	41.44
Central Warehousing Corporation	Services	-	0.11
Bharat Petroleum Corporation Limited	Supply of goods	0.56	6.70
Gail India Ltd.	Supply of goods	11.20	0.85
Ministry of Corporate Affairs	Services	5.00	-
National Informatics Centre	Services	1.61	-
Stock Holding Corporation of India Ltd.	Services	5.00	-
United India Insurance Co. Ltd.	Services	15.30	-

43.6.3 Outstanding balances with Government related entities (Other than those which are disclosed in 43.5.2):

Name of related party	Nature of Transactions	Year ended March 31, 2020	Year ended March 31, 2019
Amount (payable)/ receivable:			
New Mangalore Port Trust	Trade and other payable	0.96	0.74
National Insurance Company Ltd	Services	0.25	0.25
Central Warehousing Corporation	Services	-	(0.08)
Engineers India Limited	Services	(2.60)	-
Gail India Ltd.	Supply of goods	9.28	-
National Informatics Centre	Services	1.61	-

The above transactions with the government related entities cover transactions that are significant individually and collectively. The Company has also entered into other transactions such as telephone expenses, air travel, fuel purchase and deposits etc. with above mentioned and other various government related entities. These transactions are insignificant individually and collectively and hence not disclosed.

44 Financial instruments

44.1 Capital Management

The Group's objective when managing capital is to safeguard its ability to continue as going concern so that the Group is able to provide maximum return to stakeholders and benefits for other stakeholders; and maintain an optimal capital structure to reduce the cost of capital.

The Group maintains its financial framework to support the pursuit of value growth for shareholders, while ensuring a secure financial base. In order to maintain or adjust the capital structure, the Group may vary the distribution of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Group consists of net debt (borrowings as detailed in notes 22 and 23 offset by cash and bank balances) and total equity of the Group.

The Group's management reviews the capital structure of the Group on quarterly basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital requirements and maintenance of adequate liquidity.

44.1.1 Gearing Ratio

The gearing ratio at the end of the reporting period is computed as follows:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
i) Debt *	177,025.68	156,176.85
ii) Total cash and bank balances	280.15	4,896.17
Less : cash and bank balances required for working capital	279.95	4,875.35
Net cash and bank balances	0.20	20.82
iii) Net Debt	177,025.48	156,156.03
iv) Total equity	70,837.59	102,459.13
v) Net Debt to equity ratio	2.50	1.52

* Debt is defined as long-term and short term borrowings as described in note 22 and note 23.

44.2 Categories of financial instruments

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Financial assets		
Measured at amortised cost		
(a) Trade receivables	10,171.72	23,739.22
(b) Cash and cash equivalents	18.00	46.73
(c) Other bank balances	262.15	4,849.44
(d) Loans	1,284.22	1,061.70
(e) Other financial assets	205.13	141.53
Measured at fair value through profit and loss		
(a) Investments	5.08	5.08
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	159,721.39	122,383.59
(b) Trade payables	32,765.33	46,932.33
(c) Other financial liabilities	27,768.11	42,005.63

44.3 Financial risk management objectives

The Group's Risk Management Committee monitors and manages key financial risks relating to the operations of the Group by analyzing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

44.4 Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are foreign currency exchange risk and interest rate risk.

44.5 Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies, primarily for purchases of crude oil and exports sales and has borrowings denominated in foreign currency; consequently, exposures to exchange rate fluctuations arise. Significant carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Transaction Currency	Liabilities		Assets	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
USD	142,114.17	152,742.52	2,903.95	6,232.89
EURO	1.10	-	-	-
CAD	-	-	0.76	-

44.5.1 Foreign currency sensitivity analysis

The Group is mainly exposed to the currency of United States of America (USD). Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

USD sensitivity at year end	Year ended March 31, 2020	Year ended March 31, 2019
Receivables:		
Weakening of INR by 5%	145.20	311.65
Strengthening of INR by 5%	(145.20)	(311.65)
Payables:		
Weakening of INR by 5%	(6,781.67)	(7,115.03)
Strengthening of INR by 5%	6,781.67	7,115.03

44.5.2 Forward foreign exchange contracts

The Group has not entered into any forward foreign exchange contracts during the reporting period.

44.6 Interest rate risk management

The Group has availed borrowings at fixed and floating interest rates, hence is exposed to interest rate risk. The Group has not entered into any of the interest rate swaps and hence the Group is exposed to interest rate risk.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate borrowings, the analysis is prepared assuming the amount of the borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used for disclosing the sensitivity analysis.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended March 31, 2020 would decrease/increase by ₹ 669.11 million (for the year ended March 31, 2019 : decrease/increase by ₹ 628.60 million). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings (considered on closing balance of borrowings as at year end and excluding working capital loans).

44.7 Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from cash and cash equivalents, deposits with banks as well as customers including receivables. Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate etc.).

Major customers, being public sector undertakings oil marketing companies having highest credit ratings, carry negligible credit risk. Concentration of credit risk to any other counterparty did not exceed 10% of total monetary assets at any time during the year.

Subsidiary Company OMPL makes sales to its customer which are secured by letter of credit other than sales made to Holding Company.

Only high rated banks are considered for placement of deposits. Bank balances are held with reputed and creditworthy banking institutions.

44.8 Liquidity risk management

The Group manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios. The Group manages liquidity risk by maintaining adequate reserves and continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars As at March 31, 2020	Weighted average effective interest rate	Less than 1 month	1 month 1 year	1 year – 3 years	More than 3 years	Total	Gross Carrying Value
(i) Borrowings	Long term - 4.80%Short Term - 7.74% Subsidiary OMPLLong term - 4.61%Short Term - 8.22%	2,470.32	33,481.62	37,810.21	86,953.58	160,715.73	159,721.39
(ii) Trade payables		27,570.92	5,194.41	-	-	32,765.33	32,765.33
(iii) Other financial liabilities	Refer note 26.2	6,679.39	19,171.13	485.88	5,218.15	31,554.55	27,768.11

As at March 31, 2019							
(i) Borrowings	Long term - 5.41%Short Term - 7.40% Subsidiary OMPLLong term - 7.13%Short Term - 4.31%	43,242.26	39,783.83	26,861.38	12,988.56	122,876.03	122,383.59
(ii) Trade payables		37,838.17	9,094.16	-	-	46,932.33	46,932.33
(iii) Other financial liabilities	Refer note 26.2	7,568.86	34,455.21	-	-	42,024.07	42,005.63

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

Particulars As at March 31, 2020	Weighted average effective interest rate	Less than 1 month	1 month 1 year	1 year – 3 years	More than 3 years	Total	Gross Carrying Value
(i) Investments		-	-	-	292.95	292.95	292.95
(ii) Loans							
Loans to Employee	7.40%	15.43	113.10	246.99	701.70	1,077.22	1,077.22
Loan to Customers	9.55%	0.01	0.14	0.35	1.24	1.74	1.74
Others		3.40	1.11	0.10	394.37	398.98	205.26
(iii) Trade receivables	Refer note 17.1	10,095.35	76.37	-	-	10,171.72	10,171.72
(iv) Cash and cash equivalents		18.00	-	-	-	18.00	18.00
(v) Bank balances other than (iv) above		262.06	0.09	-	-	262.15	262.15
(vi)Other financial assets		3.70	2.86	13.30	185.27	205.13	205.13

As at March 31, 2019

Particulars As at March 31, 2020	Weighted average effective interest rate	Less than 1 month	1 month 1 year	1 year – 3 years	More than 3 years	Total	Gross Carrying Value
(i) Investments		-	-	-	287.58	287.58	287.58
(ii) Loans							
Loans to Employee	6.24%	17.58	90.25	195.95	575.05	878.83	878.83
Loan to Customers		-	-	-	-	-	-
Others		6.48	0.92	0.35	362.78	370.53	182.87
(iii) Trade receivables	Refer note 17.1	23,665.42	73.80	-	-	23,739.22	23,739.22
(iv) Cash and cash equivalents		46.73	-	-	-	46.73	46.73
(v) Bank balances other than (iv) above		4,849.35	-	0.09	-	4,849.44	4,849.44
(vi)Other financial assets		4.86	1.63	3.15	131.89	141.53	141.53

The Group has access to financing facilities as described below, of which ₹ 3,838.02 million were unused at the end of the reporting period (As at March 31, 2019 ₹ 8,379.91 million). The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Secured bank overdraft facility payable at call :	10,000.00	11,620.50
- amount used	6,161.98	3,240.59
- amount unused	3,838.02	8,379.91

44.9 Fair value measurement

The management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

45 The Financial position of the Joint Venture is as under:

Particulars (As at March 31, 2020)	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Total Revenue	Profit or Loss from continuing operations	Profit or Loss from continuing operations Profit or Loss from discontinued operations	Other Comprehensive Income	Total Comprehensive Income
Shell MRPL Aviation Fuels and Services Limited	2,405.41	98.63	1,921.35	9.12	8,307.54	15.19	-	(0.43)	14.76
Total	**2,405.41**	**98.63**	**1,921.35**	**9.12**	**8,307.54**	**15.19**	**-**	**(0.43)**	**14.76**

Particulars (As at March 31, 2019)	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Total Revenue	Profit or Loss from continuing operations	Profit or Loss from continuing operations Profit or Loss from discontinued operations	Other Comprehensive Income	Total Comprehensive Income
Shell MRPL Aviation Fuels and Services Limited	3,083.44	96.06	2,602.38	3.36	7,277.44	15.94	-	(0.48)	15.46
Total	**3,083.44**	**96.06**	**2,602.38**	**3.36**	**7,277.44**	**15.94**	**-**	**(0.48)**	**15.46**

45.1 Additional Financial information related to Joint venture is as under:

Particulars (As at March 31, 2020)	Cash and Cash Equivalents	Current Financial Liabilities	Non-Current Financial Liabilities	Depreciation and Amortisation	Interest Income	Interest Expense	Income Tax Expense on Income
Shell MRPL Aviation Fuels and Services Limited	533.12	1,836.11	9.12	15.31	41.50	12.04	1.60
Total	**533.12**	**1,836.11**	**9.12**	**15.31**	**41.50**	**12.04**	**1.60**

Particulars (As at March 31, 2019)	Cash and Cash Equivalents	Current Financial Liabilities	Non-Current Financial Liabilities	Depreciation and Amortisation	Interest Income	Interest Expense	Income Tax Expense on Income
Shell MRPL Aviation Fuels and Services Limited	203.48	2,487.63	-	11.36	43.99	13.68	14.06
Total	**03.48**	**2,487.63**	**-**	**11.36**	**43.99**	**13.68**	**14.06**

46 Contingent liabilities

46.1 Claims against the Company/ disputed demands not acknowledged as debt:-

S. No.	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
1.	**Claims of Contractors / vendors in Arbitration / Court**		
a)	Some of the contractors for supply and installation of equipment have lodged claims on the Company seeking revision of time of completion without liquidated damages, extended stay compensation and extra claims etc., which are contested by the Company as not admissible in terms of the provisions of the respective contracts. In case of unfavourable awards the amount payable that would be capitalised is ₹ 1,248.03 million / charged to revenue account would be ₹ 35.86 million (Year ended March 31, 2019 ₹ 3,001.29 million and ₹ 46.93 million).	1,283.89	3,048.22
b)	Subsidiary Company OMPL - Some of the contractors have lodged claims on the Company seeking revision of time of completion without price adjustment, extended stay compensation, extra claims etc., which are contested by the Company as not admissible as per the facts and contract terms. Since disclosure of some or all of the information required under Ind AS 37 are expected to prejudice seriously the position of the Company in a dispute with parties on the subject matter of the contingent liability the amount of such alleged claims have not been disclosed for the current year.	2,958.38	2,958.38
2	**Others**		
	The claim of Mangalore SEZ Ltd. over and above the advance paid for land and rehabilitation & resettlement work.	20.05	20.05
	Total	**4,262.32**	**6,026.65**

In respect of all these claims, it is being contested by the Group as not admissible. It is not practicable to make a realistic estimate of the outflow of resource, if any, for settlement of such claim, pending resolution / award from Arbitrators / Court.

46.2 Disputed tax / Duty demands pending in appeal as on 31st March,2020

46.2.1 Income Tax: ₹ 116.52 million as at March 31,2020 (As at March 31, 2019 ₹ 2,990.62 million). Against this ₹ Nil as at March 31,2020 (As at March 31, 2019 ₹ 307.24 million) is adjusted / paid under protest and is included under tax assets/ liability **[refer note 14]**.

46.2.2 Excise Duty: ₹ 7,310.93 million as at March 31,2020 (As at March 31, 2019 ₹ 6,888.27 million). Against this ₹ 182.10 million as at March 31,2020 (As at March 31, 2019 ₹ 182.10 million) is predeposit / paid under protest and is included under other assets **[refer note 15].**

46.2.3 Customs Duty: ₹ 916.31 million as at March 31,2020 (As at March 31, 2019 ₹ 873.25 million). Against this ₹ 379.48 million as at March 31,2020 (As at March 31, 2019 ₹ 378.71 million) is adjusted / paid under protest and is included under other assets [**refer** note **15**].

46.2.4 There is a claim from the custom department for customs duty amounting to ₹ 2,121.14 million along with applicable interest and penalties totally amounting to ₹ 6,168.37 million in respect of classification of tariff of the reformate for the purpose of payment of import duty. An appeal has been filed before the Appellate Authority contesting the entire demand. Pending outcome of the appeal proceedings, no provision for the said demand has been made in the books.

47 Commitments

47.1 Capital Commitments:

47.1.1 The estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) as at March 31, 2020 ₹ 10,786.69 million (As at March 31, 2019 ₹ 18,483.67 million).

47.1.2 The Company has requested KIADB for an allotment of 1,050 acres of land for Phase IV expansion. The balance capital commitment in this regard is around ₹ 6,407.14 million (As at March 31,2019 ₹ 6,407.14 million).

47.1.3 The Company has requested KIADB for an allotment of 47.65 acres of land at Hanagavadi Industrial Area, Davangere District for setting up 2G Ethanol Plant. The balance capital commitment in this regard is around ₹ Nil (As at March 31,2019 ₹ 367.87 million).

47.2 Other Commitments

47.2.1 Pending commitment on account of Refinery-MRPL is in possession of certain land provisionally measuring 36.69 acres ceded by HPCL for use by MRPL Phase III expansion and upgradation work .The consideration for such land is mutually agreed to be by way of swapping of land in possession of MRPL/HPCL. The final documentation in this regard is pending to be executed.

47.2.2 Pending commitment on account of Refinery performance improvement programme by M\s.Shell Global International Solution (M\s.Shell GIS) as at March 31, 2020 USD 1.46 million net of advance (As at March 31, 2019 USD 1.46 million net of advance).

47.2.3 Subsidiary Company OMPL has taken 441.438 acres of land on lease for a period of 47 years and 10 months from Mangalore SEZ Limited. The annual lease rental payable to Mangalore SEZ Limited is ₹ 23.40 million. Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" using the modified retrospective approach and accordingly lease liability of ₹ 282.36 million has been recognised in the books.

47.2.4 Subsidiary Company OMPL has entered into tripartite agreement with Mangalore SEZ Limited and Mangalore Refinery & Petrochemicals Limited for supply of 3.86 million gallons per day (MGD) of water by Mangalore SEZ Limited for 15 years. The annual charges payable to Mangalore SEZ Limited is ₹ 85.60 million.

47.2.5 Subsidiary Company OMPL has entered into Zone O&M agreement with Mangalore SEZ Limited (MSEZL) wherein MSEZL is required to provide the services of Zone Operation and Maintenance against payment of Zone O&M Charges as per the terms and conditions mutually agreed upon. The annual charges payable to Mangalore SEZ Limited is ₹ 38.61 million with annual escalation of 3%.

47.2.6 Subsidiary Company OMPL expects incentive income of ₹ 53.96 million pertaining to current year exports which are pending for recognition and same will be booked as revenue on fulfilling the recognition conditions.

48 Reconciliation of liabilities arising from financing activities.

The table below details change in the Company's liabilities arising from financing activities, including both cash and non cash changes. Liabilities arising from financing activities are those for which cash flows where, or future cash flows will be, classified in the Company's Statement of Cash Flows as cash flows from financing activities.

Particulars	Opening balance as at 01/04/2019	Financing cash Flows	Non-cash changes	Closing balance as at 31/03/2020
I Borrowing - Long Term				
1 External commercial borrowing (ECB)	34,500.76	(4,349.10)	2,692.59	32,844.25
2 Loan from Oil Industry Development Board (OIDB)	2,680.00	2,710.00	-	5,390.00
3 Non Convertible Debentures	19,999.61	5,600.00	(13.02)	25,586.59
4 Deferred payment liabilities - VAT Loan	225.56	423.85	(288.63)	360.78
5 Working capital loan from banks (ECB)	68.52	27,752.88	2,203.63	30,025.03
6 Oil and Natural Gas Corporation Limited (ONGC)	-	-	-	-
7 Deferred payment liabilities - CST	218.63	(218.63)	-	-
8 Foreign Currency Term Loan (FCTL)	3,458.00	32,399.9	2,652.97	38,510.88
9 Rupee Term Loan	11,999.70	(5,142.98)	-	6,856.72
10 Debt Component of compound financial instrument	-	2,196.46	-	2,196.46
Total	**73,150.78**	**61,372.39**	**7,247.54**	**1,41,770.71**
II Borrowing - Short Term				
1 Working capital loan from banks	4,654.87	3,977.44	(0.01)	8,632.30
2 Foreign currency non repatriable loan (FCNR)	49,795.20	(38,169.83)	240.69	11,866.06
3 Commercial Papers	4,000.00	(4,000.00)	-	-
4 Buyers Credit & Pre/Post Shipment Export Credit	24,206.00	(24,206.00)	-	-
5 Short Term Rupee Loan	370.00	4,362.16	-	4,732.16
6 Bill Discounting Facility	-	6,324.45	-	6,324.45
7 Other Working Capital Loan	-	3,700.00	-	3,700.00
Total	**83,026.07**	**(48,011.78)**	**240.68**	**35,254.97**

Particulars	Opening balance as at 01/04/2018	Financing cash Flows	Non-cash changes	Closing balance as at 31/03/2019
I Borrowing - Long Term				
1 External commercial borrowing (ECB)	38,596.06	(4,864.27)	768.97	34,500.76
2 Loan from Oil Industry Development Board (OIDB)	750.00	1,930.00	-	2,680.00
3 Non Convertible Debentures	24,995.79	(5,000.00)	3.82	19,999.61
4 Deferred payment liabilities - VAT Loan	169.24	107.52	(51.20)	225.56
5 Working capital loan from banks (ECB)	-	68.18	0.34	68.52
6 Oil and Natural Gas Corporation Limited (ONGC)	18,856.90	(18,856.90)	-	-
7 Deferred payment liabilities - CST	618.63	(400.00)	-	218.63
8 Foreign Currency Term Loan (FCTL)	2,607.20	661.70	189.10	3,458.00
9 Rupee Term Loan	-	11,999.70	-	11,999.70
Total	**86,593.82**	**(14,354.07)**	**911.03**	**73,150.78**
II Borrowing - Short Term				
1 Working capital loan from banks	2,289.76	2,357.85	7.26	4,654.87
2 Foreign currency non repatriable loan (FCNR)	42,367.00	6,916.46	511.74	49,795.20
3 Commercial Papers	-	4,000.00	-	4,000.00
4 Buyers Credit & Pre/Post Shipment Export Credit	14,339.60	10,110.65	(244.25)	24,206.00
5 Short Term Rupee Loan	3,620.00	(3,250.00)	-	370.00
Total	**62,616.36**	**20,134.96**	**274.75**	**83,026.07**

The cash flows from bank loans, loans from related parties and other borrowings make up the net amount of proceeds from borrowings and repayments of borrowings in the Statement of Cash Flows.

49 The Company has a periodic system of physical verification of Inventory, Property, Plant and Equipment and capital stores in a phased manner to cover all items over a period. Adjustment differences, if any, is carried out on completion of reconciliation.

Subsidiary Company OMPL has a periodic system physical verification of inventory, property and equipment and store/spares in a phased manner to cover all items over a period. Adjustment differences, if any is carried out on completion of reconciliation.

50 The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

51 Some balances of trade and other receivables, trade and other payables and loans are subject to confirmation/ reconciliation. Adjustments, if any, will be accounted for on confirmation/reconciliation of the same, which will not have a material impact.

52 The outbreak of COVID-19 pandemic globally and resultant lockdown in many countries, including India from March 25, 2020 has impacted the business of the Group. Consequently lower demand for crude oil and petroleum products has impacted the prices and refining margin globally. Since the petroleum products are under essential services, the refining operations of the Group was continued during the lockdown period. Due to lock down there was reduction in sales for the Group. The lock down of COVID-19 is continuing for financial year 2020-21 and the Group is continuing it's operation with current lower demand and margins as these products are falling under essential goods and services. Management is expecting that demand for products will improve on post removal of lock down on stabilisation of COVID-19. Management has assessed the potential impact of COVID 19 based on the current circumstances and expects no significant impact on the continuity of operations of the business on long term basis/ on useful life of the assets/ on long term financial position etc. though there may be lower revenues and refinery throughput in the near future.

53 Subsidiary Company OMPL operates in special economic zone (SEZ) in Mangalore, accordingly is eligible for certain economic benefits such as exemptions from GST, custom duty, excise duty, service tax , value added tax, entry tax, etc. which are in the nature of Government assistance. These benefits are subject to fulfilment of certain obligations by the Company.

54 The Board had accorded consent for amalgamation of the subsidiary ONGC Mangalore Petrochemicals Limited with the Mangalore Refinery and Petrochemicals Limited (MRPL), subject to necessary approvals. The Company had received "No Objection" vide letter dated April 18, 2018 from Ministry of Petroleum & Natural Gas. No effect is considered towards the same in the financial statements as it is still at a preliminary stage.

55 Figures in parenthesis as given in these notes to financial statements relate to previous years. Previous year figures have been regrouped wherever required.

56 **Approval of financial statements**

The financial statements were approved for issue by the board of directors on June 09, 2020.

TEN YEAR PERFORMANCE AT A GLANCE

(₹ in million unless otherwise stated)

	Ind AS	Ind AS	Ind AS	Ind AS	IGAAP	IGAAP	IGAAP	IGAAP	IGAAP	IGAAP
	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
What We Owe										
Equity Share Capital	17,526.64	17,526.64	17,526.64	17,526.64	17,526.64	17,526.64	17,526.64	17,526.64	17,572.57	17,618.50
Other Equity	60,468.65	89,743.65	92,804.09	83,178.11	46,677.80	35,522.95	53,162.08	47,150.26	54,719.37	47,670.51
Net Worth	77,995.29	1,07,270.29	1,10,330.73	1,00,704.75	64,204.44	53,049.59	70,688.72	64,676.90	72,291.94	65,289.01
Borrowings	1,18,960.72	91,310.39	79,501.65	85,409.61	81,028.40	90,324.65	97,927.21	75,576.54	61,831.10	15,569.75
Deferred Tax Liability/(Asset) (Net)	(3,458.46)	10,155.44	9,061.70	4,766.63	806.31	-	4,702.69	7,343.28	4,531.40	3,471.64
TOTAL	1,93,497.55	2,08,736.12	1,98,894.08	1,90,880.99	1,46,039.15	1,43,374.24	1,73,318.62	1,47,596.72	1,38,654.44	84,330.40
What We Own										
PPE, ROU assets,Intanglibles and Goodwill (Including Capital WIP)	1,94,716.12	1,77,357.71	1,67,426.17	1,57,688.90	2,26,935.30	2,23,190.91	2,08,025.23	1,88,929.44	1,61,134.49	1,30,871.85
Less : Depreciation and Amortisation	35,099.46	27,649.10	20,445.65	13,884.30	75,889.89	68,323.33	62,595.55	55,578.31	49,644.32	45,301.36
	1,59,616.66	1,49,708.61	1,46,980.52	1,43,804.60	1,51,045.41	1,54,867.58	1,45,429.68	1,33,351.13	1,11,490.17	85,570.49
Investments	17,576.56	15,026.47	13,496.42	13,496.42	13,496.73	13,496.73	150.02	150.02	422.80	948.25
Current and Non Current Assets/ (Liability) (Net)	16,304.33	44,001.04	38,417.14	33,579.97	(18,502.99)	(24,990.07)	27,738.92	14,095.57	26,741.47	(2,188.34)
TOTAL	1,93,497.55	2,08,736.12	1,98,894.08	1,90,880.99	1,46,039.15	1,43,374.24	1,73,318.62	1,47,596.72	1,38,654.44	84,330.40
Income					-					
Sales (Net Of Excise Duty)	5,09,786.40	6,20,301.12	4,84,340.12	4,31,924.35	3,96,320.40	5,74,381.45	7,18,104.96	6,56,915.16	5,37,633.43	3,89,566.73
Other Income	1,283.33	1,872.90	2,211.39	4,386.38	8,725.24	8,101.56	3,244.67	1,160.36	3,543.09	2,171.83
Exchange Fluctuation (net) : Income	-	-	-	-	-	-	-	-	-	184.48
Changes in inventories of ?nished goods, stock-in-process and stock-in-trade	(13,474.20)	5,616.39	7,667.19	2,883.03	(6,831.66)	(18,861.34)	6,740.75	11,161.53	1,502.05	8,152.71
TOTAL	4,97,595.53	6,27,790.41	4,94,218.70	4,39,193.76	3,98,213.98	5,63,621.67	7,28,090.38	6,69,237.05	5,42,678.57	4,00,075.75
Expenditure										
Cost of Materials Consumed	4,66,242.67	5,85,137.08	4,32,481.63	3,74,887.61	3,46,504.26	5,58,860.55	7,07,406.32	6,54,001.82	5,12,367.50	3,72,193.37
Purchase of Stock-in-trade	33,520.79	5,260.88	-	-	-	-	-	-	-	-
Sales Tax & Excise Duty on Stocks (net)	(2,493.88)	455.39	1,141.16	(675.16)	1,588.96	916.85	199.63	217.99	(606.16)	647.77
Employee Bene?ts Expense	4,401.22	4,286.56	4,173.45	3,520.06	3,061.41	2,407.42	2,154.74	1,845.60	1,606.42	1,845.35
Exchange Fluctuation (net) : Loss/ (Income)	6,872.12	2,919.37	(128.43)	(15,379.74)	11,902.67	6,835.01	19.03	5,364.91	6,482.20	-
Other Expenses	13,348.96	11,638.47	11,926.07	9,575.86	10,519.18	7,103.78	3,935.12	3,245.56	3,221.08	3,056.42
Finance Costs	7,425.85	4,717.49	4,404.57	5,171.74	5,778.35	4,070.88	3,214.41	3,285.53	2,066.77	1,043.73
Depreciation & Amortisation expense	7,832.08	7,567.52	6,713.21	6,779.19	7,124.05	4,986.10	7,064.17	6,044.10	4,338.73	3,914.19
TOTAL	5,37,149.81	6,21,982.76	4,60,711.66	3,83,879.56	3,86,478.88	5,85,180.59	7,23,993.42	6,74,005.51	5,29,476.54	3,82,700.83
Pro?t Before Tax	(39,554.28)	5,807.65	33,507.04	55,314.20	11,735.10	(21,558.92)	4,096.96	(4,768.46)	13,202.03	17,374.92
Tax Expense	(12,477.86)	2,488.09	11,265.81	18,877.33	253.51	(4,436.58)	(1,914.86)	2,800.65	4,116.25	5,608.59
Pro?t After Tax	(27,076.42)	3,319.56	22,241.23	36,436.87	11,481.59	(17,122.34)	6,011.82	(7,569.11)	9,085.78	11,766.33
Total Comprehensive Income	(27,162.15)	3,274.35	22,274.43	36,386.53						
Dividend (Refer Note below)	-	1,752.60	5,257.80	10,515.59	-	-	-	-	1,752.60	2,103.13
Dividend Distribution Tax	-	360.25	1,080.76	2,140.73	-	-	-	-	284.32	341.18
GRM ($/bbl)	(0.23)	4.06	7.54	7.75	5.20	(0.64)	2.67	2.45	5.60	5.90

(Figures are regrouped and rearranged wherever required)

Note: During the year 2019-20 NO dividend has been recommended by Board of Directors .

THREE YEAR PERFORMANCE AT A GLANCE

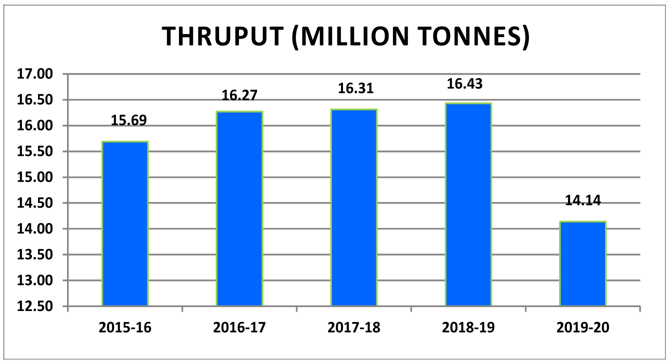
($ in million)

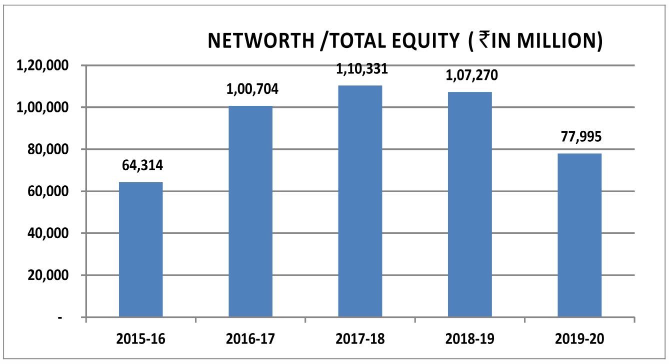
	2019-20	2018-19	2017-18
What We Owe			
Equity Share Capital	231.90	253.42	268.90
Other Equity	800.06	1,297.62	1,423.81
Net Worth	**1,031.96**	**1,551.04**	**1,692.71**
Borrowings	1,573.97	1,320.28	1,219.72
Deferred Tax Liability/(Asset) (Net)	-45.76	146.84	139.03
TOTAL	**2,560.17**	**3,018.16**	**3,051.46**
What We Own			
PPE, ROU assets,Intangibles and Goodwill (Including Capital WIP)	2,576.29	2,564.46	2,568.67
Less : Depreciation and Amortisation	464.40	399.78	313.68
	2,111.89	**2,164.68**	**2,254.99**
Investments	232.56	217.27	207.06
Current and Non Current Assets /			
(Liability) (Net)	215.72	636.21	589.41
TOTAL	**2,560.17**	**3,018.16**	**3,051.46**
Income			
Sales (Net Of Excise Duty)	7,192.25	8,877.93	7,513.81
Other Income	18.11	26.81	34.31
Changes in inventories of finished goods, stock-in-process and stock-in-trade	(190.10)	80.38	118.94
TOTAL	**7,020.26**	**8,985.12**	**7,667.06**
Expenditure			
Cost of Materials consumed	6,577.92	8,374.65	6,709.30
Purchase of Stock-in-trade	472.92	75.30	-
Sales Tax & Excise Duty on Stocks (net)	(35.18)	6.52	17.70
Employee Benefits Expense	62.09	61.35	64.74
Exchange Fluctuation (net) : Loss/ (Income)	96.95	41.78	(1.99)
Other Expenses	188.33	166.57	185.02
Finance Costs	104.77	67.52	68.33
Depreciation & Amortisation Expense	110.50	108.31	104.15
TOTAL	**7,578.30**	**8,902.00**	**7,147.25**
Profit Before Tax	**(558.04)**	**83.12**	**519.81**
Tax Expense	(176.04)	35.61	174.77
Profit After Tax	**(382.00)**	**47.51**	**345.04**
Total Comprehensive income	**(388.75)**	**46.86**	**345.55**
Dividend (Refer Note below)	-	25.08	81.57
Dividend Distribution Tax	-	5.16	16.77
GRM ($/bbl)	(0.23)	4.06	7.54

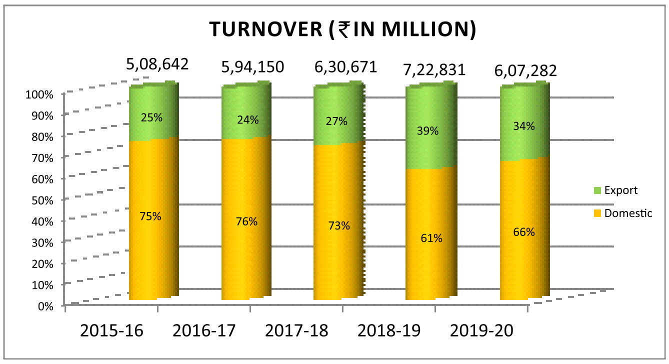
(Figures are regrouped and rearranged wherever required)

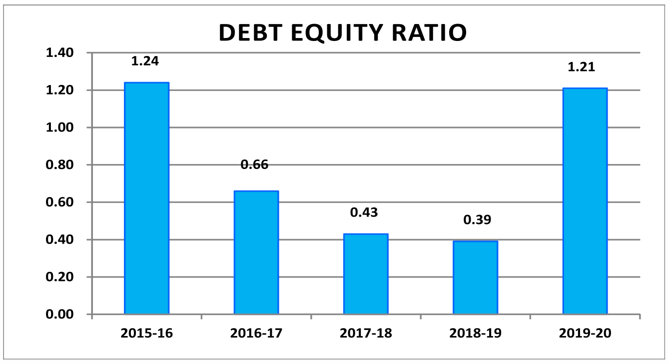
Note: During the year 2019-20 No dividend has been recommended by Board of Directors.

MRPL PERFORMANCE









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M/S LINK INTIME INDIA PVT. LTD
C-101, 247 Park, L.B.S. Marg
Vikhroli (W) Mumbai - 500 083
Tel : 022 - 49186060 | Fax : 022 - 4912 86270
Email : mrplirc@linkintime.co.in
Website : www.Linkintime.co.in