AGILITY • INNOVATION • SUSTAINABILITY

HALDIA PETROCHEMICALS LTD

ON TRACK TO DELIVER A
SUSTAINABLE GROWTH

ANNUAL REPORT
2022 - 23

Contents

HALDIA PETROCHEMICALS LIMITED

is a fully integrated naphtha based Petrochemical Complex located 125 kms from Kolkata, at Haldia, West Bengal, India

VISION

To be an efficient and customer-focused organization, recognized as a leading supplier of quality products and services.

- Delivering value to its shareholders
- Dedicated to achieving customer satisfaction
- Demanding yet a caring employer
- Fair and courteous to its vendors

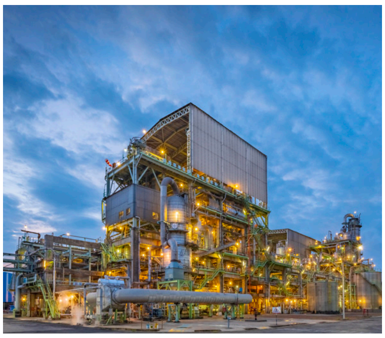
REGISTERED OFFICE
Tower 1, Bengal Eco Intelligent Park
Block EM, Plot No. 3, Sector V, Salt Lake
Kolkata–700 091

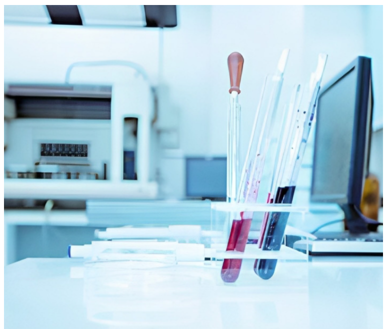
CORPORATE OFFICE
9B, Woods Street, Kolkata–700016

PLANT
Post Box No.12, Durgachak,
Haldia, Dist.: Purba Medinipur,
PIN-721602

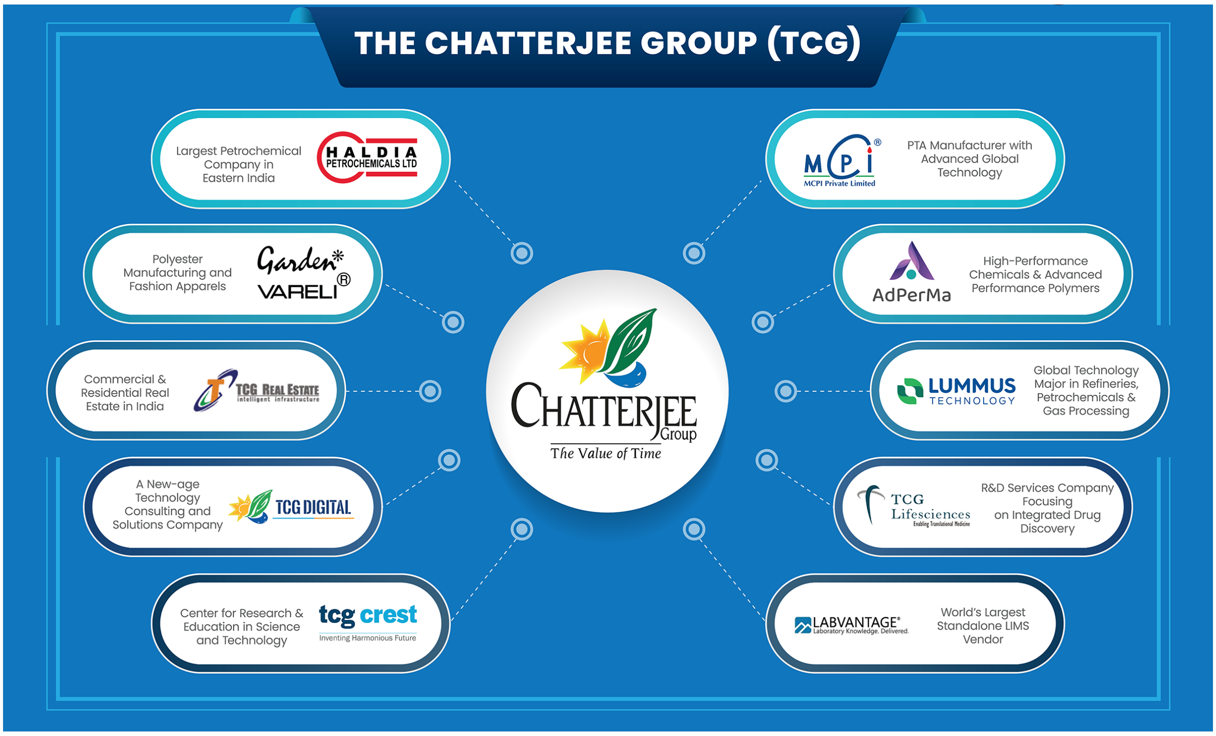
About The Chatterjee Group (TCG)

Founded in 1989 by **Dr. Purnendu Chatterjee, Founder & Chairman, TCG Group,** the Chatterjee's Group's business interests span across integrated petrochemicals including Polyolefins, PTA & Polyester Chain. In addition, the group also has strategic business interests in Life Sciences & Biotech, Financial services, Real estate, IT and Technology globally. Each Business Verticals of the Group functions independently under separate managements.





The Chatterjee Group ("TCG") is a Global Company that has diversified interests into…



Board of Directors

Dr. Purnendu Chatterjee
Chairman

Member – Nomination & Remuneration Committee

Mr. Subhasendu Chatterjee
Vice Chairman

Member – Audit Committee, Corporate Social Responsibility Committee, HSE Committee, Investment Committee and Allotment Committee

Mr. Navanit Narayan
Whole-time Director & Chief Executive Officer

Member – Stakeholders Relationship Committee, Risk Management Committee and HSE Committee

Mr. Arun Balakrishnan
Independent Director

Chairman – Stakeholders Relationship Committee and Risk Management Committee
Member – Audit Committee

Ms. Shanta Ghosh
Independent Director

Chairperson – Audit Committee, Nomination Remuneration Committee and Corporate Social Responsibility Committee
Member – Allotment Committee

Mr. Rudra Chatterjee
Independent Director

Chairman – HSE Committee
Member – Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee, Investment Committee and Allotment Committee

HPL Leadership Team

Mr. Navanit Narayan
Wholetime Director
& Chief Executive Officer

Mr. Neela Madhab Patnaik
Executive Vice President, CFO

Mr. Rabin Mukhopadhyay
Executive Vice President, Strategic Initiatives and Projects

Mr. Manoj Kumar Srivastava
Executive Vice President,
Head Plant

Mr. Bani B. Banerjee
Head – Polymers &
Chemicals Business

Mr. Sumit Dutta Gupta
Group CIO & Sr. Vice President,
Information System

Mr. Sajal Ghosh
Sr. Advisor – Legal

Mr. Debi Prasad Patra
Executive Advisor – HR &
Operations Procurement

Corporate Information Annual Report 2022 - 23

Chief Financial Officer

Mr. Neela Madhab Patnaik
Executive Vice President & Chief Financial Officer

Company Secretary & Compliance Officer

Ms. Sarbani Mitra
General Manager, Company Secretary & Head – Legal

Statutory Auditors

M/s. Deloitte Haskins & Sells LLP
Chartered Accountants

Internal Auditors

M/s. Singhi & Co.
Chartered Accountants

Secretarial Auditor

M/s. S. Sarkar & Associates
FCS 7524

Cost Auditors

M/s. Mani & Co., Cost Accountants
Registration No. 000004

Solicitors

Khaitan & Co. LLP
Avijit Deb Partners LLP

Lead Banker

State Bank of India

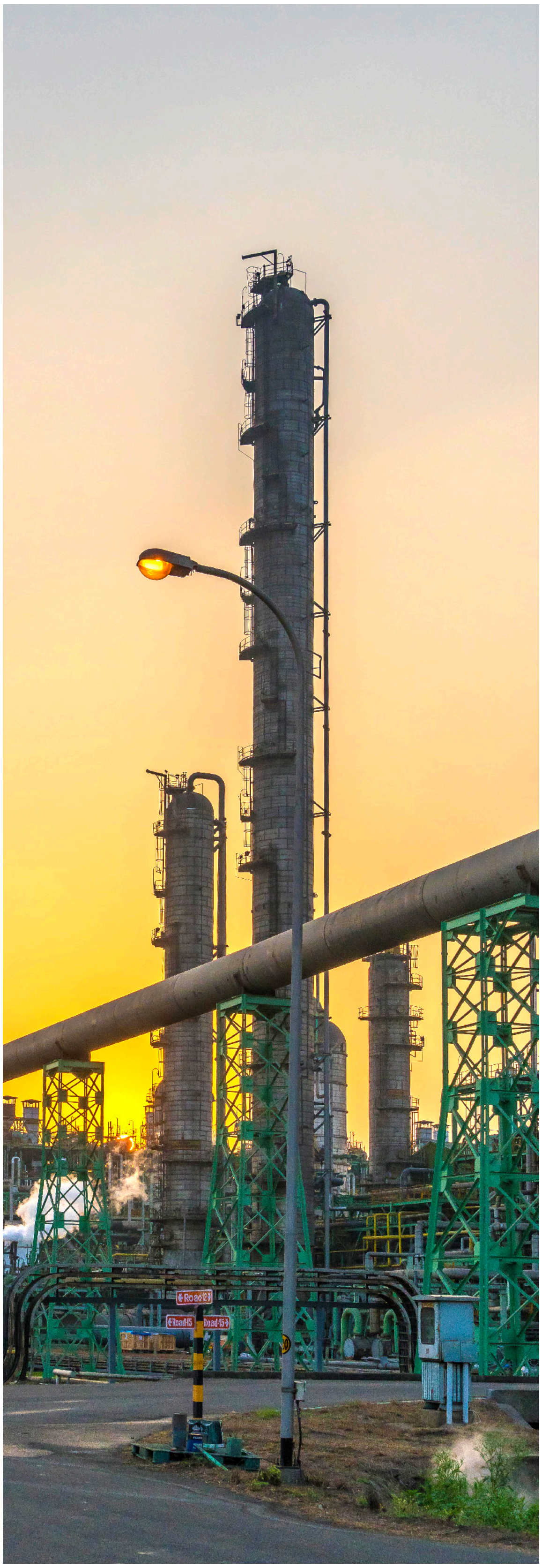
Registrar & Transfer Agents

KFin Technologies Limited
Hyderabad

Debenture Trustee

SBICAP Trustee Company Limited

www.haldiapetrochemicals.com



Corporate Performance | Annual Report 2022-23

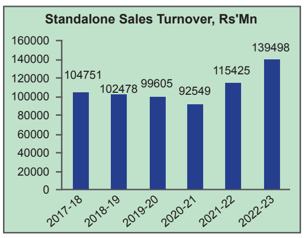
During the year under review:

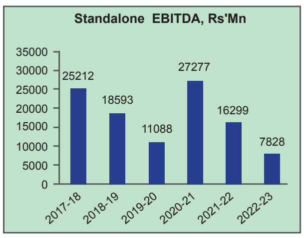
On a standalone basis, total revenue for FY 2022-23 stood at Rs. 1,45,957 Mn which was 21.11% higher than that of the previous year (Rs. 1,20,517 Mn in FY 2021-22). The standalone EBITDA was Rs. 7,828 Mn for FY 2022-23 which was 51.97% lower than that of the previous year (Rs. 16,299 Mn in FY 2021-22). This was largely due to higher increase in feed cost from Rs 86,852 million to Rs 114,154 million, an increase of approx 31.43% and correspondingly not supported by increase in price of the products.

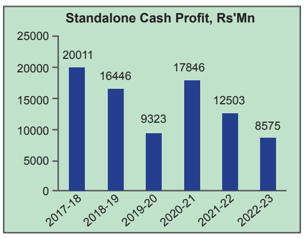
On a consolidated basis, the total revenue for FY 2022-23, stood at Rs. 160,236 Mn registering a growth of 23.50% as compared to the previous year (Rs. 129,743 Mn in FY 2021-22). The consolidated EBITDA decreased by 39.65% to Rs 10,295 Mn in current year as against Rs 17,059 Mn in previous year.

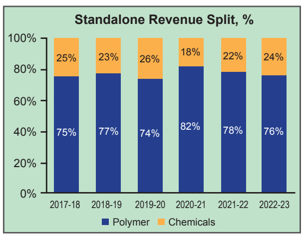
The Plant operations were stable up to mid-December 2022 post which throughput was restricted due to damage of one Heater caused by sudden power outage in Captive Power Plant. The Coal Fired Boiler (CFB) Project was capitalised in May 2022. CFB operations improved gradually and stabilised in Q4 of current financial year and is now operating close to full capacity. This has helped the Company to replace high cost fuel (Naphtha) with lower cost fuel (Coal) thereby optimising overall power and fuel cost.

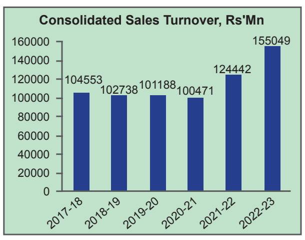
Brent crude price remained elevated in Q1, FY23 due to tight OPEC supply and concern over further supply loss due to Russian invasion over Ukraine. Brent crude price decreased gradually Q2, FY23 onwards and followed declining trend due to poor demand recovery amid prolonged China lockdown and weaker global economic growth due to high inflation. Naphtha prices remained under severe pressure. Naphtha crack spread (MOPAG-Brent) was at all time low and hovered mostly in negative territory during the year amid poor demand from petrochemicals sector. Subdued polymer and chemicals demand led to unfavourable olefins margin and forced several crackers in Asia specially in Northeast Asia to run at reduced operating rate. Consequently, international tolling margin remained at 89 $/MT, lowest in last few decades. Indian domestic demand remained relatively better, and supply was constrained due to planned & unplanned outages, leading to relatively higher margin in domestic market. On account of such geo-political issues and adverse market conditions the international tolling margin during the year was at $ 89 / MT of feed as compared to $ 115 / MT in last year, a decrease by 22.62%.

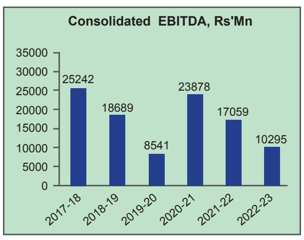


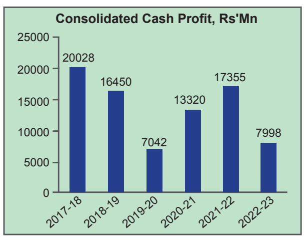












HALDIA PETROCHEMICALS LIMITED
CIN: U24100WB2015PLC205383
Registered Office: Tower 1, Bengal Eco Intelligent Park (Techna), Block EM,
Plot No. 3, Sector V, Salt Lake, Kolkata–700 091
Website: www.haldiapetrochemicals.com
Email: investors@hpl.co.in
Tel: (033) 7112 2334 / 24452498

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 8th Annual General Meeting of the Members of Haldia Petrochemicals Limited will be held through Video Conferencing / other Audio-Visual Mode (OAVM) on **Wednesday, 27th September, 2023 at 11:00 a.m. (IST)** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt –

   a. The Standalone Audited Financial Statements of the Company for the Financial Year ended March 31, 2023, and the Report of the Directors and Auditors thereon.

   b. The Consolidated Audited Financial Statements of the Company for the Financial Year ended March 31, 2023, and the Report of the Auditors thereon.

2. To appoint a Director in place of Dr. Purnendu Chatterjee (DIN: 00415297) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. **PAYMENT OF REMUNERATION TO THE COST AUDITORS FOR THE FINANCIAL YEAR 2023–24**

   To consider and if thought fit, to pass the following Resolution(s), with or without modification(s), as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of Rs. 3,50,000/- (Rupees Three Lakh Fifty Thousand only) plus applicable tax, out-of-pocket, travelling and other expenses incurred in connection with the cost audit, as recommended by the Audit Committee and approved by the Board payable to M/s. Mani & Co., Cost Accountants (Firm Registration No. 000004) as Cost Auditors to conduct the Audit of the relevant Cost records of the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, for the Financial Year 2023-24, be and is hereby ratified and confirmed;

   RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof) and the Company Secretary be and are hereby severally authorized to do all filings including e-filings & do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

4. **AMENDMENT TO ARTICLES OF ASSOCIATION**

   To consider and if thought fit, to pass the following Resolution(s), with or without modification(s), as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, of the Companies Act, 2013 and the rules framed thereunder, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the Members be and is hereby accorded for alteration of Articles of Association of the Company ('AoA') as explained in the explanatory statement annexed;

   RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof) and the Company Secretary be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this aforesaid resolution."

5. **CONTRIBUTION TOWARDS SCIENTIFIC RESEARCH**

   To consider and if thought fit, to pass the following Resolution(s), with or without modification(s), as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to Section 181 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder and other applicable Rules, Regulations etc., if any (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) & consent of the Company be and is hereby accorded to contribute a sum of Rs. 319.45 Crore to TCG Centres for Research and Education in Science and Technology, associate company as contribution towards scientific research during Financial Year 2023-24, notwithstanding that such contributions may exceed 5% of the average net profits of the Company for the immediately preceding three financial years;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof) and the Company Secretary be and are hereby severally authorized to do all filings including e-filings & do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

Registered Office
Tower 1, Bengal Eco Intelligent Park
Block EM, Plot No. 3, 3rd Floor, Sector V,
Salt Lake, Kolkata-700 091

Date: 4th September, 2023
Place: Kolkata

By Order of the Board
Haldia Petrochemicals Limited

Sarbani Mitra
Company Secretary
A14906

NOTES:

(a) The Ministry of Corporate Affairs ('MCA'), inter-alia, vide its General Circular Nos. 14/2020 dated 8th April, 2020 and 17/2020 dated 13th April, 2020, followed by General Circular Nos. 20/2020 dated 5th May, 2020 and subsequent circulars issued in this regard, the latest being 10/2022 dated 28th December, 2022 (collectively referred to as 'MCA Circulars') has permitted the holding of the AGM through Video Conferencing ('VC') or through Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company.

(b) A statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (Act), relating to the Business to be transacted at the AGM, is annexed hereto. Further, additional information as required under Listing Regulations and Circulars issued thereunder are also annexed.

(c) Pursuant to the Circulars, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, the Body Corporates are entitled to appoint Authorised Representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

(d) In view of the Circulars, physical attendance of the Members to the AGM venue is not required. Hence, Members are required to attend and participate in the ensuing AGM though VC/OAVM.

(e) Corporate Members whose Authorised Representatives are intending to attend the Meeting through VC/OAVM are requested to send to the Company at its email ID at investors@hpl.co.in, a certified copy of the Board Resolution authorising their representative, to attend and vote on their behalf at the Meeting and to vote through remote e-voting.

(f) As per the Circulars & SEBI Circular dated 13th May, 2022, the Notice of the AGM along with the Annual Report for FY 2022-23 is being sent through electronic mode to only those Members whose email IDs are registered with the Company / Depository participant.

(g) Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.haldiapetrochemicals.com and website of BSE Limited www.bseindia.com

(h) Those Shareholders whose email IDs are not registered, are requested to register their email ID with Registrar & Transfer Agent (RTA) at dipti.ghosh@kfintech.com by providing their Name as registered with the RTA, Address, email ID, PAN, DPID/Client ID or Folio Number and Number of shares held by them.

(i) The Members, whose names appear in the register of Members / list of beneficial owners as on Friday, 1st September, 2023 i.e. the cut-off date, shall be entitled to vote on the resolutions set forth in this Notice.

(j) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee & Nomination and Remuneration Committee, Auditors, who are allowed to attend the AGM without restriction on account of first come first served basis.

(k) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

(l) The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given in advance at investors@hpl.co.in

(m) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of the 8th AGM. Members seeking to inspect such documents can send an email to investors@hpl.co.in

(n) AGM has been convened through VC/OAVM in compliance with applicable provisions of the Act, read with Circulars.

(o) Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice

INSTRUCTIONS FOR E-VOTING:

(a) In lines with the Circulars, Members can participate in the e-voting by sending their votes through their registered email at investors@hpl.co.in

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

(a) Members can attend the Annual General Meeting (AGM) on 27th September, 2023 at 11:00 a.m. (IST) through Microsoft Teams App. The required link to attend the meeting through VC shall be mailed to the shareholders at their registered email id.

(b) The link for joining the Meeting through VC shall be active for participation on the date of the AGM i.e. 27th September, 2023 at 10:45 a.m. (IST) till conclusion of the Meeting. The link will be disabled for participation on conclusion of the Meeting.

(c) In case of Android / Iphone connection, participants will be required to download and install the appropriate application. Application may be downloaded from Google Play Store / App Store.

(d) Further, Members will be required to allow Camera and use Internet audio settings as and when asked while setting up the Meeting on Mobile App.

(e) Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

(f) Members, who need assistance before or during the Meeting, can contact Mr. Keshav Sadani, Sr. Manager – Legal & Secretarial at investors@hpl.co.in.

(g) Institutional shareholders are encouraged to participate at the AGM through VC/OAVM and vote thereat.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3

PAYMENT OF REMUNERATION TO THE COST AUDITORS FOR THE FINANCIAL YEAR 2023-24

Based on the recommendation of the Audit Committee, the Board had in accordance with the provisions of Section 148(3) of the Companies Act, 2013 read along with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, approved the re-appointment and remuneration of M/s. Mani & Co., the Cost Auditors (Firm Registration No. 000004) to conduct the audit of the cost records pertaining to relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time for the Financial Year 2023-24 at a remuneration of Rs. 3,50,000/- (Rupees Three Lakh Fifty Thousand only) plus applicable taxes and out-of-pocket expenses incurred for the purpose.

In accordance with the provisions of Section 148 of the Act read along with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, ratification for the remuneration payable to the Cost Auditors to audit the cost records of the Company for the Financial Year 2023-24 by way of an Ordinary Resolution is being sought from the Members as set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

ITEM NO. 4

AMENDMENT TO ARTICLES OF ASSOCIATION

To align provisions of Articles of Association (“AoA”) of the Company with the extant regulatory provisions and deletion of few redundant clauses, the Board of Directors of the Company has proposed certain alterations in Articles of Association.

The details of Articles proposed to be modified, included and removed are provided below:

Article No.	Old Content	Article No.	New Content	Remarks
2 – Definitions	"CPIPL" means Chatterjee Petrochem (India) Private Limited a limited company incorporated under the Companies Act, 1956 and having its registered office at 9B, Wood Street, Kolkata-700016 an affiliate of CPMC.	2 – Definitions	"CPIPL", an affiliate of CPMC, means Chatterjee Petrochem (India) Private Limited a private limited company incorporated under the Companies Act, 1956 and having its registered office at 9B, Wood Street, Kolkata-700016.	Change in definition.
	"CPMC" means Chatterjee Petrochem (Mauritius) Company, a company incorporated under the laws of Mauritius and having its principal place of business at Les Cascades Building, 33 Edith Cavell Street, Port Louis, Mauritius.		"CPMC" means Chatterjee Petrochem (Mauritius) Company, a company incorporated under the laws of Mauritius and having its principal place of business at Suite 4B, Fourth Floor, Ebene Mews, 57 Cybercity, Ebene 72201, Mauritius	Change of address.
	"Debenture" includes debenture-stock, bonds and any other debt Securities of the Company, whether constituting a charge on the assets of the Company or not.		"Debenture" includes debenture-stock, bonds and any other debt Securities of the Company, whether constituting a charge on the assets of the Company or not, including but not limited to Debentures which are issued in the form of senior, secured, listed, non-cumulative, rated, Redeemable, Taxable Non-Convertible Debentures.	Change in definition
	"Essex" means Essex Development Investments (Mauritius) Ltd., a company incorporated under the laws of Mauritius and having its principal place of business at Les Cascades Building, 33 Edith Cavell Street, Port Louis, Mauritius and an affiliate of CPMC.		"Essex" means Essex Development Investments (Mauritius) Ltd., a company incorporated under the laws of Mauritius and having its principal place of business at Suite 4B, Fourth Floor, Ebene Mews, 57 Cybercity, Ebene 72201, Mauritius, and an affiliate of CPMC.	Change of address.
	"First Completion Date" shall have the meaning ascribed to it in the Share Purchase Agreement.		-	Deletion.
	"ITML" means India Trade (Mauritius) Limited, a company incorporated in Mauritius and having its principal place of business at Les Cascades Building, 33 Edith Cavell Street, Port Louis, Mauritius (which expression shall mean and include its successors and/or agreed and authorised assigns), an affiliate of CPMC		"ITML" means India Trade (Mauritius) Limited, a company incorporated in Mauritius and having its principal place of business at Suite 4B, Fourth Floor, Ebene Mews, 57 Cybercity, Ebene 72201, Mauritius (which expression shall mean and include its successors and/or agreed and authorised assigns), an affiliate of CPMC.	Change of address.
	"January 2002 Agreement" shall mean the agreement dated January 12, 2002 executed amongst Government of West Bengal, WBIDC, CPMC and the Company.		-	Deletion.

Article No.	Old Content	Article No.	New Content	Remarks
			"SEBI Listing Regulations" means the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.	New Insertion.
			"SEBI ILNCS Regulations" means the SEBI (Issue and Listing of Non Convertible Securities) Regulations, 2021.	New Insertion.
	"Winstar" means Winstar India Investment Company Limited PCC; Sub Account: Winstar Income Cell, who have entered into the Winstar Subscription Agreement and having its office at IFS Court, Twenty Eight Cybercity, Ebene, Mauritius.		"Winstar" means Winstar India Investment Company Limited PCC; Sub Account: Winstar Income Cell, who have entered into the Winstar Subscription Agreement and having its office at Suite 4B, Fourth Floor, Ebene Mews, 57 Cybercity, Ebene 72201, Mauritius.	Change of Address.
			Notwithstanding anything contained hereinabove, for the Debentures issued by the Company in accordance with provisions of SEBI ILNCS Regulations, the Company shall adhere to SEBI ILNCS Regulations and in if there is any contradiction or conflict between these Articles and the SEBI ILNCS Regulations, the relevant provisions of the SEBI ILNCS Regulations will prevail over these Articles in relation to such Debentures issued by the Company in accordance with provisions of SEBI ILNCS Regulations.	New Insertion
56 - Rights in Relation to Additional Sale Shares	(a) Essex shall have the option, exercisable at any time within a period of 84 (eighty four) months from the First Completion Date ("Purchaser Option Period"), to purchase the 25,99,00,002 shares ("Additional Sale Shares") from WBIDC ("Purchaser Option"), against payment of the Per Share Consideration (as defined in the Share Purchase Agreement) for each Additional Sale Share, for an amount mentioned in the Share Purchase Agreement (the "Additional Purchase Consideration"), as adjusted in accordance with the provisions hereunder.			Deletion.

Article No.	Old Content	Article No.	New Content	Remarks
	(b) In the event, Essex or its nominee exercises the Purchaser Option for the Additional Sale Shares or any portion thereof, within 2 (two) years from the First Completion Date ("Initial Purchaser Option Period"), the Additional Purchase Consideration pro-rata the portion exercised, shall be paid. However, in the event the Purchase Option is not exercised or exercised in part, the Additional Sale Shares or the portion remaining, shall be purchased, in five equal yearly installments beginning from the commencement of third year after the Effective Date i.e. September 11, 2014, along with an interest @ 9% (Nine per cent) per annum reduced by the dividends, if any, received from the Company in the interim. Essex or its nominee shall have the right to purchase Additional Sale Shares at any time prior to the timelines provided hereinabove. (c) In case this option/right is not exercised by Essex at the end of each year as above, WBIDC shall be at liberty to sell the pro-rata (1/5th of the Additional Sale Shares or un-purchased portion remaining thereof) shares to any third party/ies.			
57 - Subsequent Completions	Subsequent Completions as contemplated below will be strictly in accordance with the terms of the Share Purchase Agreement: a. Whenever Essex, in accordance with the terms of Share Purchase Agreement desires to purchase all or any part of the Additional Shares during the Purchaser Option Period, it shall deliver a written notice to WBIDC of its intention to purchase the Additional Shares as set out in the notice. The notice shall set out the number of shares proposed to be purchased,			Deletion.

Article No.	Old Content	Article No.	New Content	Remarks
	the consideration payable, giving break up of consideration and interest, and the expected date of remittance of the consideration, not more than 30 (thirty) days from the date of the notice, when the consideration will be remitted. b. WBIDC shall, in accordance with the Share Purchase Agreement, upon receipt of the notice, confirm within 2 (two) days of receipt of the notice, confirm that it shall transfer to Essex the number of shares mentioned in the notice immediately upon receipt of consideration. c. Essex shall, in accordance with Applicable Law, pay to WBIDC, directly in its bank account, the Additional Purchase Consideration for the Additional Shares stated in the notice. d. WBIDC shall, simultaneously, with receipt of the Additional Purchase Consideration for the Additional Shares mentioned in the notice, give unconditional and irrevocable instructions to its depository participant to transfer the requisite number of Additional Sale Shares to the depository account of Essex. e. Prior to the Transfer of any portion of the Additional Sale Shares to the Purchaser or its nominee, the Seller shall cause the Lenders to release the pledge over the relevant portion of the Additional Sale Shares so as to ensure that the relevant portion of the Additional Sale Shares are Transferred to the Purchaser or its nominee free from all Encumbrances.			

Article No.	Old Content	Article No.	New Content	Remarks
	f. WBIDC acknowledges that GoWB has assured, undertaken, warranted and guaranteed that simultaneously with the payment of each of the Purchase Consideration for the Additional Shares in accordance with the provisions of the Share Purchase Agreement and these Articles, the transfer of the Additional Shares as provided for in the Share Purchase Agreement will be effected by WBIDC in favour of Essex without any hindrance, delay, protest or demur whatsoever. g. WBIDC shall file Form FC-TRS and all necessary documents required for the purposes of an effective filing of Form FC-TRS pursuant to the Foreign Exchange Management Act, 1999, and the rules and regulations thereunder, in relation to the Additional Sale Shares acquired by Essex from WBIDC, with the relevant authorised dealer bank, as may be necessary.			
58 - ICC shares	(c) In case the title of the ICC Shares remains with WBIDC after the outcome of the Arbitration at ICC, Paris, Essex shall have the option to purchase the said ICC Shares against payment of an additional amount as mentioned in the Share Purchase Agreement. The terms and conditions as applicable to the Additional Sale Shares as set out in Articles 56 and 57 shall apply mutatis mutandis to the said ICC Shares to be purchased by Essex pursuant to this Article.	56 - ICC shares	(c) In case the title of the ICC Shares remains with WBIDC after the outcome of the Arbitration at ICC, Paris, Essex shall have the option to purchase the said ICC Shares against payment of an additional amount as mentioned in the Share Purchase Agreement.	Modified to remove reference to few Articles which stands deleted.
		70	The Company may carry out consolidation and re-issuance of its debt securities, in the manner as may be specified by SEBI from time to time subject to the fulfilment of the conditions as per Applicable Law, including but not limited to SEBI ILNCS Regulations.	New Insertion.

Article No.	Old Content	Article No.	New Content	Remarks
120 - Nominee directors of Lenders	Notwithstanding anything to the contrary contained in these Articles, but subject to the right of TCG to appoint the majority of the Board as set out in Article 116, the Board of Directors shall have power to enter into an Arrangement / Agreement in terms of which and/or so long as any moneys remain owing by the Company to IDBI Bank(IDBI), IFCI (IFCI), Life Insurance Corporation of India (LIC), ICICI Bank Ltd. (ICICI), Unit Trust of India (UTI), General Insurance Corporation (GIC), The United India Fire & General Insurance Company Limited (United), The New India Assurance Company Limited (New India), National Insurance Company Limited (National) and The Oriental Fire & General Insurance Company Limited (Oriental) or to any other Finance Corporation or Credit Corporation or to any other Financing Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, LIC, ICICI, UTI, GIC, United, New India, National, Oriental or any other finance corporation or Credit Corporation or any other Financing Company or Body (which IDBI, IFCI, LIC, ICICI, UTI, GIC, United, New India, National, Oriental or any other finance corporation or Credit Corporation or any other Financing Company or Body is hereinafter in this Article referred to as "the Corporation") continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the Company as a result of underwriting and/or direct subscription, the Corporation shall have a right to appoint from time to time, any person or persons as a Director	119 - Nominee directors of Lenders etc.	Notwithstanding anything to the contrary contained in these Articles, so long as any money shall be owing by the Company to any financial institutions, corporations, banks or such other financing entities or through Debenture Trustees or so long as any of the aforesaid banks, financial institutions or such other financing entities hold any shares/debentures in the Company as a result of subscription or so long as any guarantee given by any of the aforesaid entities in respect of any financial obligation or commitment of the Company remains outstanding in terms of payment of interest or repayment of principal amount, then in that event any of the said financial institutions or Debenture Trustees or such other financing entities shall, subject to an agreement in that behalf between it and the Company, have a right but not an obligation, to appoint one or more persons as	

Article No.	Old Content	Article No.	New Content	Remarks
	or Directors (which Director or Directors is/are hereinafter referred to as **"Nominee Director/s"**) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s; The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s; At the option of the Corporation, such Nominee Director/s shall not be required to hold any share qualification of the Company. Also at the option of the Corporation, such Nominee Director/s shall not be liable to retire by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company. The Nominee Director/s as appointed shall hold the said office only pursuant to an Arrangement / Agreement and/ or so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as a result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or conversion of the loans/debentures and the Nominee Director/s so appointed in exercise of the said power shall ipsofacto vacate his office immediately the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold Debentures/ shares in the Company.		Director(s) on the Board of Directors as their nominee on the Board of Company in accordance with the applicable laws. The aforesaid financial institutions or Debenture Trustees or such other financing entities may at any time and from time to time remove the Nominee Director appointed by it and may in the event of such removal and also in case of the Nominee Director ceasing to hold office for any reason whatsoever including resignation or death, appoint other or others to fill up the vacancy. Such appointment or removal shall be made in writing by the relevant institution and shall be delivered to the Company and the Company shall have no power to remove the Nominee Director from office. Each such Nominee Director shall be entitled to attend all General Meetings, Board Meetings and meetings of the Committee of which he or she is a member and he or she and the financial institutions or such other financing entities appointing him/her shall also be entitled to receive notice of all such meetings in accordance with the applicable laws.	

Article No.	Old Content	Article No.	New Content	Remarks
	The Nominee Director/s appointed under this Article as well as IDBI, IFCI, LIC, ICICI, UTI, GIC, United, New India, National, Oriental or any other Finance Corporation or Credit Corporation or any other Financing Company or Body shall be entitled to receive all notices of Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is a member, as also the minutes of such meetings. The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled, but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation on such Nominee Director/s in connection with their appointment of Directorship shall also be paid or reimbursed by the company to the Corporation or as the case may be to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. In the event of the Nominee Director/s being appointed as wholetime Director/s, such Nominee Director/s shall exercise such powers and have such rights as are usually exercised or			

Article No.	Old Content	Article No.	New Content	Remarks
	available to a wholetime directors in the Management of the affairs of the Company such whole time director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation. Any appointment of Directors made in pursuance of any arrangement/agreement with the Industrial Development Bank of India (IDBI) shall be valid and effective, notwithstanding anything to the contrary contained in the Act, or in any other law for the time being in force or in the Memorandum, Articles of Association or any other instrument relating to the Company, and any provision regarding share qualification, age-limit, number of directorship, removal from office of Directors and such like conditions contained in any such law or instrument aforesaid, shall not apply to any director appointed by the IDBI in pursuance of the arrangement/agreement as aforesaid			
122 - Right of WBIDC to nominate director	So long as WBIDC holds any part of the additional sale shares or they otherwise continue to hold 10 % of voting power (including preference shares) WBIDC will be entitled to nominate one director on the Board of the Company.			Deletion.
140 – Rotation of Directors	At the Annual General Meeting of the Company in every year, one-third of the directors for the time being are liable to retire by rotation and if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office. Provided that WBIDC nominee director shall not be liable to retire by rotation.	138 – Rotation of Directors	At the Annual General Meeting of the Company in every year, one-third of the directors for the time being are liable to retire by rotation and if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.	Reference to WBIDC Nominee Director deleted.

Article No.	Old Content	Article No.	New Content	Remarks
168 – Director may summon meeting	c) A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least 1 (one) Independent Director, 1 (one) WBIDC Director and one (1) TCG Director, if any, shall be present at the meeting, or in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least 1 (one) Independent Director, if any.	166 – Director may summon meeting	c) A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least 1 (one) Independent Director, and one (1) TCG Director, if any, shall be present at the meeting, or in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least 1 (one) Independent Director, if any.	Reference to WBIDC Director deleted. 1 minor modification.
170 - Regulations for meeting through electronic mode	The Board may, by way of a resolution passed at a meeting, decide the venues where arrangements may be made by the Company, at the Company's cost, for participation in Board Meetings through Electronic Mode, as the case may be, in accordance with the provisions of 173(2) of the Act and Applicable Law. In the event that a Director is desirous of participating through Electronic Mode at a meeting from a place other than the place so decided, the Chairman may decline the right of a Director to participate through Electronic Mode in view of concerns of security, sensitivity and confidentiality of Board proceedings			Deleted.

Article No.	Old Content	Article No.	New Content	Remarks
177 – Power to appoint committees and delegate	The directors may delegate any of their powers to Committees consisting of such numbers of directors as they think fit. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed by the directors. Each Committee, including the audit committee shall comprise at least 1 (one) TCG Director. The minutes of the meetings of the Committee, along with actions taken pursuant thereto, shall be placed before the immediately succeeding Board Meeting. Subject to the provisions of Section 179(3) of the Act, 2013, the Board may delegate powers to any Officer or Committee as the Board may determine. Provided that WBIDC nominee director, if any, shall be a member of each of the statutory committees of the Board.	174 - Power to appoint committees and delegate	The directors may delegate any of their powers to Committees consisting of such numbers of directors as they think fit. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed by the directors. Each Committee, including the audit committee shall comprise at least 1 (one) TCG Director. The minutes of the meetings of the Committee, along with actions taken pursuant thereto, shall be placed before the immediately succeeding Board Meeting. Subject to the provisions of Section 179(3) of the Act, 2013, the Board may delegate powers to any Officer or Committee as the Board may determine.	Reference to WBIDC Nominee Director deleted.

Note: *Narration for few Articles have been modified, while there is no change in the content of the Article and the same is not presented above.*

In terms of Section 14 of the Companies Act, 2013, any alterations in the Articles of Association shall be made with the approval of shareholders by way of passing a Special resolution.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

ITEM NO. 5

CONTRIBUTION TOWARDS SCIENTIFIC RESEARCH

Pursuant to Section 181 of the Companies Act, 2013, prior permission of the shareholders is required in the event that the Company contribute to any bona fide charitable and other funds in case any such amount, the aggregate of which, in any financial year exceed 5% per cent of its average net profits for the 3 immediately preceding financial years.

Accordingly, it is proposed to obtain the members' approval to contribute Rs. 319.45 Crore to TCG Centres for Research and Education in Science and Technology, associate company as contribution towards scientific research during Financial Year 2023-24.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members.

Except Dr. Purnendu Chatterjee and Mr. Subhasendu Chatterjee, none of the other Directors, Key Managerial Personnels or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

Registered Office
Tower 1, Bengal Eco Intelligent Park
Block EM, Plot No. 3, 3rd Floor, Sector V,
Salt Lake, Kolkata-700 091

By Order of the Board
Haldia Petrochemicals Limited

Sarbani Mitra
Company Secretary
A14906

Date: 4th September, 2023
Place: Kolkata

Details of Directors seeking appointment / re-appointment in terms Clause 1.2.5 of Secretarial Standard - 2 on General Meetings

Name of the Director	**Dr. Purnendu Chatterjee**
DIN	00415297
Age	9th January, 1950 (73 years)
Qualification and experience	Dr. Chatterjee holds a B.Tech from the Indian Institute of Technology (IIT), Kharagpur and holds Masters and Doctorate degrees in Operations Research from the University of California, Berkeley. Dr. Chatterjee was a research associate at the Stanford Research Institute. Dr. Chatterjee is a founding member of the Indian School of Business and Advanced VLSI Design Laboratory at IIT, Kharagpur. Dr. Chatterjee's background combines expertise in technology, management consulting and international investing. Dr. Chatterjee has investments in real estate, petrochemicals, lifesciences, and financial services with the U.S. and India being his major areas of focus. Dr. Chatterjee has more than 35 years of experience in the petrochemical industry.
Terms and conditions of ap-pointment / re-appointment	Liable to retire by rotation
Date of first appointment on the Board	23.02.2015
Shareholding in the company	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Mr. Subhasendu Chatterjee (Brother)
Number of Meetings of the Board attended during the year	Meetings held – 5 (Five) Meetings attended – 5 (Five)
Other Directorships (Indian companies)	● Asia Society India Centre ● TCG Centres for Research and Education in Science and Technology ● Indian School of Business ● TCG Lifesciences Pvt. Ltd. ● Crystal City Developers Pvt. Ltd.

Directors' Report

Dear Members,

Your Directors are pleased to present the Eighth Annual Report together with the Audited Accounts of your Company for the financial year ended March 31, 2023.

Financial Highlights of the Company

Your Company has achieved an EBITDA of Rs 7,828 Mn in FY 2022-23 as compared to Rs 16,299 Mn in FY 2021-22 and a Loss Before Tax of Rs 10,114 Mn in FY 2022-23 as compared to PBT of Rs 4,223 Mn in FY 2021-22.

The decline in performance is due to a steep increase in the price of feedstock without commensurate increase in sale price of finished products. The Company has, however, made a cash profit of Rs 8,575 Mn in FY 2022-23 as against Rs 12,503 Mn in FY 2021-22.

The summarized consolidated and standalone financial performance of your Company is as follows:

(Rs. in Million)

Particulars	Standalone		Consolidated	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Total Revenue	1,45,957.31	1,20,516.75	1,60,236.10	1,29,743.07
Share of profit/(loss) of Associates and Joint Venture		-	102.76	364.91
Profit before Interest, Tax, Depreciation & Amortization (EBITDA)	**7,827.87**	**16,299.08**	**10,295.09**	**17,059.22**
Finance Charges	3,107.83	2,368.61	5,292.01	3,945.47
Depreciation	14,834.42	15,540.69	15,005.07	15,253.28
Exceptional item	-	5,833.25		5,833.25
Profit / (Loss) before tax (PBT)	**(10,114.38)**	**4,223.03**	**(10,001.99)**	**3,693.72**
Tax Expenses/Adjustments	(3,854.46)	1,427.90	(2,995.19)	1,592.20
Net Profit / (Loss) After Tax (PAT)	**(6,259.92)**	**2,795.13**	**(7,006.80)**	**2,101.52**
Other Comprehensive income / (Loss):				
Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit plans	9.90	(32.12)	9.51	(32.39)
Income tax on above	(3.46)	11.23	(3.36)	11.23
Changes in revaluation surplus	-	(0.01)		(0.01)
Income tax on above	-	-	-	-
Share of OCI in Associates and Joint Ventures	-	-	305.86	65.54
Items that will be reclassified to profit or loss				
Exchange differences in translating the financial statements of foreign operations	-	-	991.25	(808.95)
Income tax on above	-	-	(110.16)	(100.56)
Share of OCI in Associates and Joint Ventures	-	-	(49.98)	114.83
Total Other Comprehensive income	**6.44**	**(20.90)**	**1,143.12**	**(750.31)**
Total Comprehensive income / (Loss)	**(6,253.48)**	**2,774.23**	**(5,863.68)**	**1,351.21**
Transferred to:				
Revaluation surplus	-	(0.01)		(0.01)
Retained Earnings	(6,253.48)	2,774.24	(7,000.79)	2,145.90
Other Comprehensive Income	-	-	1,136.97	(794.68)
Total Comprehensive income / (Loss)	**(6,253.48)**	**2,774.23**	**(5,863.82)**	**1,351.21**
Balance in Retained Earnings brought forward from previous year	1,102.21	(1,041.26)	(6,061.85)	(7,576.96)
Current Year	(6,253.48)	2,774.24	(6,695.02)	2,145.90
Transfer from Revaluation Surplus being depreciation on revaluation increase	2,152.18	2,080.05	2,152.18	2,080.03
Transfer from Foreign Currency transfer Reserve	-	-	308.07	-
Transfer to Capital Redemption Reserve	-	(2,710.82)	-	(2.710.82)
Balance in retained Earnings at the end of the year	**(2,999.09)**	**1,102.21**	**(10,296.39)**	**(6,061.85)**

Updates On Projects

Oil To Polymer Project

- Your company has achieved significant progress in the development of the Oil to Polymer (O2P) Project at Cuddalore on erstwhile NOCL land, being acquired through an insolvency process. During the year, McDermott (MDR) completed the Light FEED (Front-end Engineering Design) based on the Light BDEP (Basic Design and Engineering Package) for Steam Cracker and Associated Units. FEED for Utilities and Offsite (U & O) system was also completed by MDR.

- Project cost estimate with $\pm$15% estimation accuracy has been developed by MDR. Detailed Feasibility Report (DFR) has been developed and is currently under final review. Engineering of U & O enabling works like Fencing, Boundary Wall, Site Grading, Construction Water, Construction Power etc. is also under progress. Site specific studies like Topography Survey have been completed and Soil Investigation is under progress.

- Detailed Project Report for Marine Facilities has been completed and submitted for securing License.

- Draft EIA Report has been prepared and submitted for initiating District Coastal Zone Management Authority (DCZMA) clearance.

PE Wax Project

- Your Company produces approximately 7,000 MT/annum of raw PE Wax as a by-product of HDPE manufactured by Mitsui Slurry CX plant. Value Added Products like refined PE Wax with low content of volatile hydrocarbons, Oxidized PE Wax, Maleic Anhydride grafted PE Wax, etc. can be obtained from Refining of Raw Wax and Chemical.

- The Refined PE Wax Project has been approved by the Board and Management of your Company for execution, with a completion time of 31st December 2023 and a Cost cap of Rs. 36.5 Crs.

- The Project was agreed to be executed in EPCM Mode (Owner Lead Execution) with the basic process and proprietary equipment coming from GMML Pfaudler India.

- The liquid handling portion resides within the Company premises while the Solid handling and Product out Unit of PE Wax will be shifted off plot for execution under ADPLUS, a wholly owned subsidiary of your Company.

- Currently 30% Overall Project Progress has been achieved and the long lead item ordering has started. Civil Contractor is mobilised at Site.

Phenol Project

- Your Company's Board approved a budget of Rs. 150 Cr to build a state-of-the-art 300 KTPA Phenol plant along with a 117 KTPA Olefin Conversion Unit (OCU) on a greenfield plot inside the existing complex in Haldia. The raw materials for this unit will be Ethylene, C4 stream from Butene-1-unit, Light Gasoline from NCU, Butadiene and Benzene which are internally produced in HPL.

- A dedicated project team has been formed to implement this project.
- HPL has chosen Lummus as the Technology provider for this project.
- Technology KOM completed from 19th to 28th Apr'23.
- EPCM RFQ has been issued and technical/commercial offers have been received, being evaluated.
- Site clearing activities have been completed.
- Route survey for logistics of over dimension cargo completed and route identified from Haldia port to plant.
- Site grading and drainage activities have started.

Management Discussion and Analysis

The Management Discussion and Analysis for the year under review, is presented in a separate Section, and forms an integral part of this Report. It, inter-alia, provides details about the Indian economy, business performance review of the Company's various businesses, risks and concerns and other material developments during FY 2022-23,

Corporate Governance

Your directors re-affirm their continued commitment to the best practices of Corporate Governance which form an integral part of the core values of your Company. Your Company was compliant with the provisions relating to Corporate Governance. The Corporate Governance Report for the year under review is presented in a separate Section forms an integral part of this Report.

Subsidiaries, Associates and Joint Venture Companies:

The Company has 9 (Nine) wholly owned subsidiaries as on 31st March, 2023, namely:

- Haldia Riverside Estates Limited,
- HPL Global Pte, Ltd, Singapore,
- HPL GO Private Limited
- Advanced Performance Materials Private Limited
- SIO2P Private Limited
- HPL Industrial Parks Limited
- HPL Industrial Estates Limited
- AdPlus Chemicals and Polymers Private Limited and
- HPL Technologies B.V., Netherlands.

Haldia Riverside Estates Limited (HREL)

HREL manages the township for HPL employees in Haldia. It is situated 13 km away from plant site. The housing colony is spread over an area of 222 acres approx. There are 523 dwelling units in the complex spread over 72.45 acres along with a lake covering 46 acres. The township is equipped with shopping complex, clubhouse, parks, playgrounds etc.

HPL Global Pte Ltd, Singapore

HPL Global Pte Ltd, is a trading entity majorly involved in import & export of raw materials and finished products of HPL and MCPI Pvt Ltd (a TCG group entity manufacturing PTA at Haldia). Other than above HPL Global also involved in trading of Petrochemicals (upstream and downstream) with different international counterparties, Chartering of vessels and paper trading activities.

HPL GO Private Limited (HPL GO)

HPL GO has been incorporated for carrying out fuel retailing activities, by setting up petrol pumps. HPL GO aims to launch a network of such petrol pumps, both at Company-owned and Dealer-owned properties on a pan-India basis, for which substantial groundwork has been undertaken.

Advanced Performance Materials Private Limited (AdPerma)

Advanced Performance Materials Private Limited (AdPerma), was incorporated to explore opportunities for naphtha cracker downstream projects and venturing into specialty chemicals business. It is now in the final lap of getting all the licenses transferred in its name for operating the Butene 1 plant under its arms, which is presently being operated by your Company on Operation & Maintenance (O&M) basis.

SIO2P Private Limited (SIO2P)

SIO2P has been formed for carrying out manufacturing and selling of petroleum petrochemical and petroleum products. Primary petrochemical products being Polyethylene (PE), Poly Propylene (PP), Mono-Ethylene Glycol (MEG), Paraxylene (PX), Benzene, Butadiene, Pyrolysis Gasoline, Pyrolysis Fuel Oil etc., and petroleum products being Gasoline, Deisel, ATF, LPG etc. SIO2P will engage in activities like Project development, Project execution, Marketing and Logistics facility set-up, procurement of goods and services and selling of products.

HPL Industrial Parks Limited (HIPL)

HIPL has been formed to own, develop, build, integrate and operate small, medium, large scale fully Integrated Industrial/Chemical complexes and/or Parks in India

HPL Industrial Estates Limited (HIEL)

HIEL has been formed to own and hold movable and immovable assets related to Industrial/Chemical complexes and/or Parks in India .

Adplus Chemicals and Polymers Private Limited (Adplus)

AdPlus has been formed to set up and / or invest into setting up and/or acquire existing manufacturing and/or processing units and facilities within the country and/or globally in the business of specialty chemicals and/or advanced polymers including but not limited to manufacturing, trading, development, servicing, materials application etc.

HPL Technologies BV, Netherlands

Your company acquired a majority stake in Lummus Technologies Holding, through its wholly owned subsidiary HPL Technologies BV, Netherlands. The acquisition was completed on 30th June, 2020.

Five P Development Company B.V. Netherlands

Five P Development company (5PD), incorporated in the Netherlands, is a joint venture between TCG Technology Service B.V and HPL Technology Service B.V. which in turn are wholly owned subsidiaries of TCG and HPL respectively. 5PD has been incorporated to support HPL/TCG's vision to create multiple petrochemical complex through D1BM (Design One Build Many) concept. 5PD will carry out all the project development activities, Basic engineering and Detailed Engineering by engaging with Technology licensor and engineering contractors. The Engineering drawings and documents so developed will be provided to the project owner (the SPV / Joint Venture entities) implementing the individual projects.

TCG Centres for Research & Education in Science and Technology (TCG Crest)

TCG Centres for Research and Education in Science and Technology (TCG CREST), a not-for-profit institution and an associate Company of your Company, started in pursuit of excellence in research and education in multiple cross-disciplinary domains. TCG CREST is dedicated to the four Ks:

Knowledge Creation, Knowledge Application, Knowledge Dissemination and Knowledge Exchange.

The focus is on creating a strong network of highly reputed knowledge centres throughout the world and cultivate a strong culture of continual knowledge exchange through academics, research, student and faculty exchange, joint research projects, collaborative workshops, and participative seminars. TCG CREST, which has started the first campus spread over multiple locations in Kolkata, India is recognized as an official organization by the Department of Scientific and Industrial Research of the Government of India.

Performance of Subsidiaries and Affiliates

The Statement in Form AOC-1 containing the salient features of the financial statement of your Company's subsidiaries and associates pursuant to first proviso to Section 129(3) of the Companies Act, 2013 (Act) read with Rule 5 of the Companies (Accounts) Rules, 2014, forms part of the Annual Report as **'Annexure – I'**.

Share Capital

As on 31st March 2023, the Authorized Share capital of your Company is Rs. 6200,00,00,000 comprising of 5900,00,00,00,000 equity shares of Rs.10/- each and 300,00,00,000 preference share of Rs.10/-. each. The issued, subscribed and paid-up share capital of your Company comprised of Rs. 16,879,385,320 Equity Share Capital.

During the year under review, there has been no change in the authorized share capital or paid-up capital of the Company.

Dividend

In the absence of profit for distribution, the Directors are not recommending any Equity dividend for the year.

Public Deposits

The Company has not accepted any deposits falling under the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder during the year under review.

Particulars of Loans, Guarantees and Investments.

Pursuant to section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, disclosures relating to loans, advances and investments as on 31st March 2021 are given in the Notes to the Financial Statements. There are no guarantees issued, or securities provided by your Company in terms of section 186 of the Companies Act, 2013, read with the rules issued thereunder.

Particulars of Contracts/arrangements with Related Parties

All the related party transactions of your Company are entered in the ordinary course of business and are compliant with the applicable provisions of the Companies Act, 2013. There are no materially significant transactions entered into by your Company with Promoters, Directors, or Key Managerial Personnel (KMPs), which have potential conflict with the interest of your Company at large.

In line with the requirements of Companies Act, 2013 and SEBI (LODR) Regs 2015, all Related Party Transactions entered during the year under review were placed before Audit Committee for review and approval and also in the Board of Directors Meetings.

The disclosure of Related Party Transactions as required under Section 134(3)(h) of Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules 2014 in the Form AOC-2 is attached as "Annexure II" to this report.

Particulars of Employees

Disclosures pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as Annexure 'III' to this Report. In accordance with section 197(12) of the Companies Act, 2013 read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees drawing remuneration in excess of the limits, set out in the aforesaid rules, forms part of this Report.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 in respect of Conservation of Energy and Technology Absorption and Foreign Exchange Earnings and Outgo is given in **Annexure–IV and V** forming part of this Report.

Auditors and Audit Reports

STATUTORY AUDITORS

Pursuant to the provisions of Section 139(1), 141 and other applicable provisions of the Companies Act, 2013, M/s. Deloitte Haskins & Sells, LLP, Chartered Accountants, (Firm Registration No. 117366W/W-100018) were appointed the Statutory Auditors of the Company to hold office from the conclusion of the Second Annual General Meeting until the conclusion of the Seventh Annual General Meeting.

The observations made by the Statutory Auditors on the Financial Statements of the Company, in their Report for the financial year ended 31st March 2023, read with the Explanatory Notes therein, are self-explanatory and, therefore, do not call for any further explanation or comments from the Board under section 134(3)(f) of the Companies Act, 2013.

COST AUDITORS

Pursuant to Section 148 of the Act and Rules made thereunder, the Board had appointed M/s. Mani & Co., Cost Accountants, to conduct cost audit of the Company for the Financial Year 2022-23.

Subsequent to the recommendation of the Audit committee, the Board has re-appointed M/s. Mani & Co., Cost Accountants as the Cost Auditors of the Company for the Financial Year ending 31st March, 2024 and their remuneration is sought to be ratified by the shareholders at the forthcoming Annual General Meeting and is included as an agenda item in the Notice convening the 8th Annual General Meeting of the Company.

SECRETARIAL AUDITORS

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and in compliance with the Secretarial Standards specified by the Institute of Company Secretaries of India., the Board appointed Mr. Sandip Sarkar of M/s. S. Sarkar & Associates, Company Secretaries Kolkata to conduct the secretarial audit for FY 2022-23.

The Secretarial Audit Report confirms that your Company has complied inter alia with all the applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the Securities Contracts (Regulation) Act, 1956 and Rules made thereunder, Depositories Act, 1996, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and other applicable laws, rules, and regulations. Further The observations made by the Secretarial Auditors in their Report for the financial year ended 31st March 2023, are self-explanatory and, therefore, do not call for any further explanation or comments from the Board .

INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Act read with Rule 13 of the Companies (Accounts) Rules 2014, M/s. Singhi & Co, Chartered Accountants, (Firm Registration no. 302049E) were appointed as the Internal Auditors of the Company who also evaluates the functioning and quality of internal controls and standard operating procedures of the Company and reports its adequacy and effectiveness through periodic reporting.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors, Cost Auditors and the Secretarial Auditors have reported to the Audit Committee under section 143(12) of the Companies Act,2013 any instances of fraud committed against your Company by its officers and employees, details of which would need to be mentioned in the Board's Report.

VARIOUS POLICIES ADOPTED BY YOUR COMPANY

POLICIES	PROVISIONS	OBJECTIVE	AVAILABILITY
VIGIL MECHANISM/ WHISTLE BLOWER POLICY	Your Company has established a robust Vigil Mechanism in compliance of sec 177 of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014.	This Policy provides for framework and process whereby concerns can be raised by the employees against discrimination, harassment, victimisation or any other unfair practice being adopted against them.	The Remuneration Policy is posted in company's website at www.haldiapetrochemicals.com
CORPORATE SOCIAL RESPONSIBILITY POLICY	In terms of sec 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has framed a Corporate Social Responsibility (CSR) Policy	The CSR policy emphasises on Social Welfare, Rural Development, Sustainable Livelihood, Health Care and Education. As a responsible corporate citizen, your Company undertook various voluntary initiatives	The CSR Policy is posted in company's website at www.haldiapetrochemicals.com
REMUNERATION POLICY	The Company's remuneration policy has been framed as required u/s 186(3) of the Companies Act., 2013 read with Rules framed thereunder.	The Policy is directed towards rewarding performance based on review of achievements and is in consonance with existing industry practice. There has been no change in the policy during the financial year under review.	The Remuneration Policy is posted in company's website at www.haldiapetrochemicals.com
POLICY ON POSH GUIDELINES	Your Company has a robust Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') and the rules framed thereunder.	Your Company has an Internal Complaints Committee to redress and resolve any complaints arising under the POSH Act. Further awareness workshops are organised regularly. As on 31st March, 2023, there were no outstanding complaints under the aforesaid Act.	The Policy is posted in company's website at www.haldiapetrochemicals.com
POLICY ON PRESERVATION OF DOCUMENTS	The Policy on Preservation of Documents has been framed pursuant to Reg. 9 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015	The policy sets the standards for systematic identification, categorization, maintenance, review, retention and destruction of documents received or created in the course of business.	The Policy is posted in company's website at www.haldiapetrochemicals.com
BOARD DIVERSITY POLICY	The Board Diversity Policy has been framed pursuant to Regulation 19 read with Part D of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	This Policy applies to the Board of Directors of Haldia Petrochemicals Limited.	The Policy is posted in company's website at www.haldiapetrochemicals.com
CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL	The Code of Conduct for Directors and Senior Management Personnel has been framed pursuant to Reg. 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	This is a comprehensive code and applies to all Directors/Senior Executives.	The Policy is posted in company's website at www.haldiapetrochemicals.com

POLICIES	PROVISIONS	OBJECTIVE	AVAILABILITY
POLICY FOR DETERMINING MATERIAL SUBSIDIARY	The Policy for determining Material Subsidiary has been framed pursuant to Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	This Policy sets out the criteria for determining material subsidiary(ies).	The Policy is posted in company's website at www.haldiapetrochemicals.com
POLICY ON RELATED PARTY TRANSACTIONS AND MATERIALITY OF RELATED PARTY TRANSACTIONS	The Policy on Related Party Transactions and Materiality of Related Party Transactions has been framed pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Reg, 2015	This policy provides a framework to regulate transactions between the Company and its related parties and also lays down mechanism for identification, approval, review and reporting of such transactions.	The Policy is posted in company's website at www.haldiapetrochemicals.com
CODE OF CONDUCT TO REGULATE, MONITOR & REPORT TRADING BY DESIGNATED PERSONS	The Code of Conduct to Regulate, Monitor & Report Trading by Designated Persons has been framed under Regulation 9(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.	The Company endeavors to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations.	The Policy is posted in company's website at www.haldiapetrochemicals.com
CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION	The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information has been framed under Regulation 8(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015	This Code shall apply in relation to disclosure by the Company of UPSI. The scope-exceptions as given in Applicable Law shall be applicable for the purpose of this Code as well.	The Policy is posted in company's website at www.haldiapetrochemicals.com
ENTERPRISE RISK MANAGEMENT POLICY	The Risk Management Policy is formulated under the requirements of Regulation 21(4) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.	During the period under review, there were no identified risks which in the opinion of the Board were threatening. However, some risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report. The Risk Management Committee periodically assesses risks and incorporates risk mitigation plans in its strategy, business and operation plans.	Can be inspected during office hours at the registered Office of your Company.

Business Responsibility Reporting

A separate section on **Business Responsibility Reporting**, describing the initiatives taken by your Company from environmental, social and governance perspective, forms an integral part of this Annual Report.

Research And Development (R&D)

The R&D projects taken up by your Company is focused on improving the relative market position of your Company's businesses in the face of increasingly volatile and competitive business environment. The focus is on developing and commercialising premium differentiated products, improving the competitive cost position, product quality and environmental sustainability.

To support these goals, the Application Research & Development Centre (ARDC) of the Company is managing a pipeline of projects that are addressing near and mid-term needs, as well as the exploration of future opportunities.

Material changes and commitments affecting the financial position between the end of the Financial Year and the date of the Report

No material changes and commitments, which could affect your Company's financial position, have occurred between the end of the financial year and the date of this Report. There has been no change in the nature of business of your Company.

Awards and Accolades

- In the Trade meet organised by Syama Prasad Mookerjee Port, on 16th September 2022, HPL was adjudged as "The Best All-round performer" for its contribution in all the areas of port operations .

- Your Company participated in the Industrial Customers Meet organized by Indian Oil Corporation Ltd, on 11.04.2023 and bagged the award for Long Standing Business Relationship.

- Haier Appliances (India) Pvt. Ltd felicitated your Company with "Strategic Partner Award" for Cyclopentane term supply during Haier's Annual Business Partners Meet-2022 on 22.12.22.

- Your Company has received best supplier award for being "Consumer Centric" supplier from Marico Ltd. on 24.3.23 during their suppliers' meet called "Samyut".

- Your Company bagged all three trophies of Champion, 1st Runner-up & 2nd Runnerup, in the Quiz duly organised by Indian Chamber of Commerce at Kolkata on environment.

Directors' Responsibility Statement

The audited accounts for the year under review are in conformity with the requirements of the Companies Act, 2013 and the Accounting Standards. The financial statements reflect fairly the form and substance of transactions carried out during the year under review and reasonably present your Company's financial condition and results of operations.

Pursuant to section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of its knowledge and ability, confirm that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) the accounting policies selected have been applied consistently, and judgements and estimates are made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2023 and of the profit of your Company for the year ended on that date;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Act for safeguarding the assets of your Company, and for preventing and detecting fraud and other irregularities.

d) annual accounts have been prepared on a 'going concern' basis.

e) the Directors have laid down proper internal financial controls, 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 were adequate and operating effectively.

General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these matters during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise;
2. The Whole Time Director of the Company does not receive any remuneration or commission from any of its subsidiaries;
3. There were no revisions in the financial statement;

4. There has been no change in the nature of business of your Company;
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and your Company's operations in the future;
6. There was no proceeding initiated under the Insolvency and Bankruptcy Code, 2016;
7. There was no instance of one time settlement with any Bank or Financial Institution; and
8. There was no failure to implement any Corporate Action.

Acknowledgements

Your Directors express their deep sense of gratitude to the banks, financial institutions, stakeholders, business associates, Central and State Governments for their co-operation and support and look forward to their continued support in future.

Your Directors very warmly thank all our employees for their contribution to your Company's performance. We applaud them for their superior levels of competence, dedication and commitment to your Company. We have immense respect for every person who risked their lives and safety to fight this pandemic.

For and on behalf of the Board

Date: 18.05.2023 Place: New Delhi / Kolkata	**Navanit Narayan** Whole-time Director & Chief Executive Officer (DIN: 08280314)	**Subhasendu Chatterjee** Vice Chairman (DIN: 00153459)

Annexure I

FORM AOC-1

Statement containing salient features of the Financials Statements of Subsidiaries, Associates and Joint Ventures

(Pursuant to first proviso to sub section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Sl. No.	Particulars	Details								
1	Name of the subsidiary	Haldia Riverside Estates Limited (Amount in Rs.)	Advanced Performance Materials Private Limited (Amount in Rs.)	HPL GO Private Limited (Amount in Rs.)	SIO2P Private Limited (Amount in Rs.)	HPL Industrial Parks Limited (HIPL) (Amount in Rs.)	HPL Industrial Estates Limited (HIEL) (Amount in Rs.)	Adplus Chemicals and Polymers Pvt Ltd. (Amount in Rs.)	HPL Global Pte. Ltd., Singapore	HPL Technologies B.V., Netherlands
2	Reporting period for the subsidiary concerned	01.04.2022 – 31.03.2023	01.04.2022 – 31.03.2023	01.04.2022 – 31.03.2023	01.04.2022 – 31.03.2023	01.04.2022 – 31.03.2023	01.04.2022 – 31.03.2023	01.04.2022 – 31.03.2023	01.04.2022 – 31.03.2023	01.04.2022 – 31.03.2023
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR	INR	USD (Exchange Rate US$1= Rs.82.2169)	USD (Exchange Rate US$1= Rs.82.2169)
4	Share capital	175,000,070	400,100,000	100,000	100,000	100,000	100,000	10,000,000	125,000,000	243,000,000
5	Reserves & surplus	336,012,142	2,663,142,668	50,566,340	-344,436	-93,482	2,041,014	-66,798	-21,975,205	-66,481,757
6	Total assets	765,278,013	5,915,613,213	102,314,241	119,631	127,160	181,937,195	10,066,312	230,495,614	649,068,353
7	Total Liabilities	765,278,013	5,915,613,213	102,314,241	119,631	127,160	181,937,195	10,066,312	230,495,614	649,068,353
8	Investments	Nil	1,236,591,235	NIL	NIL	NIL	NIL	NIL	NIL	626,761,151
9	Turnover	80,892,508	10,083,486,830	883,820,325	NIL	NIL	2,995,765	NIL	827,504,517	-7,910,230
10	Profit before taxation	38,862,855	2,293,499,007	130,651,842	-30,389	-93,482	2,741,828	-66,798	6,931,590	-36,900,372
11	Provision for taxation	6,607,714	803,716,900	17,084,169	NIL	NIL	700,814	NIL	1,774,790	18704
12	Profit after taxation	32,255,142	1,489,782,107	113,567,673	-30,389	-93,482	2,041,014	-66,798	5,156,800	-36,882,068
13	Proposed Dividend	-	-	-	NIL	NIL	NIL	NIL	NIL	NIL
14	% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%

For and on behalf of the Board

Navanit Narayan
Whole-time Director &
Chief Executive Officer
(DIN: 08280314)

Subhasendu Chatterjee
Vice Chairman
(DIN: 00153459)

Date: 18.05.2023
Place: New Delhi / Kolkata

Annexure II

Form No. AOC-2

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

I. Details of contracts or arrangements or transactions not at arm's length basis: **Not Applicable**

II. Details of contracts or arrangements or transactions at arm's length basis: **Applicable (Omnibus transaction)**

Name(s) of the related party and nature of relation-ship	Nature of contracts/ arrangement Transactions	Salient terms of the contracts or arrangements or tran saction	Date(s) of approval by the board, if any	Amount paid as advanced, if any	Value
HPL GO Private Limited, wholly owned subsidiary	Availing/rendering of any services	Availing of various shared services and office rental (excludes manpower cost)	04.05.2022	-	Rs. 20 Lakh
	Sale/Purchase of goods and materials	Purchase of Py GAS (Raw Material)			Rs. 140 Crore
	Availing or rendering of any services	Operation and Maintenance charges			Rs. 80 Lakh
Advanced Perfor-mance Materials Private Limited (AdPerma), wholly owned subsidiary	Sale/Purchase of goods and materials	Purchase of Butene 1, Return SH C4 Raffinate and Fuel Gas			Rs. 395 Crore
	Sale/Purchase of goods and materials	Sale of SH C4 Raffinate			Rs. 711 Crore
	Availing or rendering of any services	O&M service to AdPerma			Rs. 84 Crore
Haldia Riverside Estates Limited, wholly owned subsidiary	Availing or rendering of any services	License of 515 dwelling units to HPL for HPL employees			Rs. 7.85 Crore
		Reimbursement of Elec-tricity & Telephone exp.			Rs. 1,71,10,000/-
		Manpower support			Rs. 14.16 Lakh
SIO2P Pvt. Ltd., wholly owned subsidiary	Availing or rendering of any services	Miscellaneous support services			Rs. 5 Lakh
HPL Industrial Parks Limited, wholly owned subsidiary	Availing or rendering of any services	Miscellaneous support services			Rs. 5 Lakh
HPL Industrial Estates Limited, wholly owned subsidiary	Availing or rendering of any services	Miscellaneous support services			Rs. 5 Lakh

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement Transactions	Salient terms of the contracts or arrangements or transaction	Date(s) of approval by the board, if any	Amount paid as advanced, if any	Value
HPL Global Pte. Limited, Singapore, wholly owned subsidiary	Availing or rendering of any services	Charges for services provided by the Company			Rs. 3 Crore
	Sale or Purchase of goods or materials	Benzene: Sale by HPL to HPL Global			Rs. 1,074 Crore
		Butadiene: Sale by HPL to HPL Global			Rs. 777 Crore
		Pygas: Sale by HPL to HPL Global			Rs. 704 Crore
		Naphtha: Purchase by HPL from HPL Global			Rs. 3,150 Crore
		Polymer: Purchase by HPL from HPL Global			Rs. 60 Crore
		Coal: Purchase by HPL from HPL Global			Rs. 623 Crore
TCG Digital Solutions Pvt. Ltd. (Promoters have substantial interest	Availing or rendering of any services	Various advisory and consultancy services, Implementation of shared services etc.			Rs. 18,49,53,200
Lummus Technology LLC., Promoters have substantial interest	Availing or rendering of any services	Technical services			$ 60,000 = Rs. 46,42,800
		Tickets fares- Turnaround inspection support			Rs. 10 Lakh
		PYPS on APC-RTO support, tuning			$ 1,25,000 = Rs. 96,72,500
DCG Data-Core Systems (India) Pvt. Ltd., Common Director (Ms. Shanta Ghosh)	Availing or rendering of any services	SAP Functional & Technical Support service & Application development support			Rs. 50 Lakh
Development Consultants Private Limited, Common Director (Ms. Shanta Ghosh)	Availing or rendering of any services	Detailed Engineering Consultancy Service			Rs. 81.75 Lakh

For and on behalf of the Board

Date: 18.05.2023
Place: New Delhi / Kolkata

Navanit Narayan
Whole-time Director &
Chief Executive Officer
(DIN: 08280314)

Subhasendu Chatterjee
Vice Chairman
(DIN: 00153459)

Annexure III

DETAILS OF THE REMUNERATION OF DIRECTORS, KMP'S AND EMPLOYEES

(Statement as per Rule 5(2) of The Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014)

Sl. No.	Name	Age (years)	Designation/ Nature of Duties	Remuneration in Rs.	Qualification	Total Experience (years)	Date of commencement of employment	Previous Employment
A.	**Details of top ten Employees in terms of remuneration drawn for the financial year ended 31st March, 2023**							
1	Mr. Neela Madhab Patnaik	64	CFO, EVP	1,91,20,270	CA, CS, LLB & CMA	38	15.07.2019	Grasim Industries Ltd
2	Mr. Rabin Mukhopadhyay	66	EVP, Head-Strategic Initiatives & Corporate Projects	1,34,49,029	BE	46	01.07.2003	The Chatterjee Group
3	Mr. Sumit Duttagupta	57	CIO, VP-Head IT	98,53,204	ME	33	10.12.2018	Reliance Industries Ltd.
4	Mr. Bani Broto Banerjee	53	SVP, Head Marketing & CBT	94,45,863	CA	30	15.07.2021	India Global Inc (IGI)
5	Mr. Sajal Ghosh[3]	64	Executive Vice President & Head - Legal, Company Secretary	85,46,690	ICMAI, CS	38	01.07.2017	MCC PTA India Corp Pvt Ltd
6	Mr. Deepak Kumar Kundnaney	59	Vice President - Engineering	83,69,387	BE	37	05.04.2021	Reliance Industries Ltd.
7	Mr. Bikas S Phaujdar	50	Chief GM-Manufacturing	78,36,104	B Tech	29	12.07.2021	Petrorabigh
8	Mr. Arunava Maitra	53	Chief GM- HR & Administration	76,35,423	MBA	26	01.12.2018	Vesuvius
9	Mr. Raj Kumar Datta	59	Chief General Manager - Product Development & Technical Support and Quality Assurance	72,43,119	MS, EPBM	33	01.09.1997	Modern Dispersions Inc
10	Mr. Avijit Kundu	57	Chief General Manager - Finance & Accounts	70,06,312	ICWA, MBA	33	28.11.2016	TCS

B.	Details of Employee employed throughout the year and in receipt of remuneration not less than Rs.10,200,000/- p.a.							
Sl. No.	**Name**	**Age (years)**	**Designation/ Nature of Duties**	**Remuneration in Rs.**	**Qualification**	**Total Experience (years)**	**Date of commencement of employment**	**Previous Employment**
1	Mr. Neela Madhab Patnaik	64	CFO, EVP	1,91,20,270	CA, CS, LLB & CMA	38	15.07.2019	Grasim Industries Ltd
2	Mr. Rabin Mukhopadhyay	66	EVP, Head -Strategic Initiatives & Corporate Projects	1,34,49,029	BE	46	01.07.2003	The Chatterjee Group

C.	Details of Employee employed part of the year and in receipt of remuneration not less than Rs. 8,50,000/- p.m.							
Sl. No.	**Name**	**Age (years)**	**Designation/ Nature of Duties**	**Remuneration in Rs. (per month)**	**Qualification**	**Total Experience (years)**	**Date of commencement of employment**	**Previous Employment**
1	Mr. Subhasendu Chatterjee4	75	Vice Chairman	28,56,559	B. Tech, M.Tech	40	10.08.2016	Krishak Bharati Cooperative Ltd (KRIBHCO)
2	Mr. Navanit Narayan	58	Whole Time Director & Chief Executive Officer	20,09,833	MS & Postgraduate in Business Management	35	01.11.2022	Lyca Mobile
3	Mr. Manoj Kumar Srivastava	59	Executive Vice President & Head - Plant	10,83,293	B. Tech, M.Tech	38	11.07.2022	ONGC Petro Additions Ltd

Note:

1. None of the aforesaid employees directly holds any shares in the Company.
2. Apart from Mr. Subhasendu Chatterjee who is brother of Dr. Purnendu Chatterjee, Chairman of the Company, none of the aforesaid employees are related to any Director of the Company.
3. Mr. Sajal Ghosh ceased to be Executive Vice President, Head - Legal & Company Secretary w.e.f. 31st March, 2023.
4. Mr. Subhasendu Chatterjee has been re-designated as Vice Chairman (Category: Non-Executive) w.e.f. 1st November, 2022. The details provided pertains to his tenure as Whole-time Director of the Company from 1st April, 2022 till 31st October, 2022.

ANNEXURE – IV

CONSERVATION OF ENERGY
ENERGY CONSERVATION MEASURES TAKEN

FORM A

Form for disclosure of particulars with respect to conservation of energy

A.	POWER AND FUEL CONSUMPTION		
1.	ELECTRICITY		
	(A) PURCHSED (FROM WBSEB)	2021-22	2022-23
	Total Units (Million kwh) Total Units (Rs. Million) Rate per unit (Rs.)	17.3	9.5
	(B) OWN GENERATED		
	(I) THROUGH DIESEL GENERATOR Total Units Units per litre of diesel oil Cost/Unit **(II) THROUGH GAS TURBINE/ STEAM TURBINE/GENERATOR HPL COGENERATION LIMITED** Total Units (Million kwh) Units per kg of fuel (kwh) Cost/units (Rs.)	NIL 637.9	NIL 737.9
2.	**COAL (SPECIFY QUALITY AND WHERE USED)** Quantity (Tonnes) Total Cost Average rate	 77,775 NIL NIL	 5,29,017 NIL NIL
3.	**LPG to fuel gas header** Quantity (metric tons) Total amount (Rs. Million) Average rate (Rs./MT	6,534	10,459
4.	**FUEL CONSUMPTION IN CPP (naphtha total)** Naphtha (MT) PCN (MT) FGN (MT) NRS / Py Gas (MT) Fuel Gas (MT) CLS (MT) CBFS (MT) HSD (MT) Note – Naphtha (PCN,FGN,Pygas) & CBFS data is transfer figures from IOP to CPP. RFG & HSD data is total CPP consumption figure	 83,947 50,097 33,850 NIL 52,235.4 NIL 56,825 111.4	 30,445 15,479 14,966 NIL 58,008.9 NIL 26,086 64.3
5.	**OTHERS/ INTERNAL GENERATION** **FUEL GAS GENERATED DURING NAPHTHA CRACKING** Quantity as FG consumed in NCU Heaters (MT) Total Cost (Rs. Million) Rate/ Unit (Rs./MT) Note – FG data of NCU is SAP figure.	 2,99,557 2,70,120	 3,25,775 2,91,134

Conservation of Energy

Energy conservation measures taken

As a Designated Consumer under PAT Cycle-IV, energy consumption data was submitted as per prescribed format to Bureau of Energy Efficiency (BEE) under Ministry of Power, Govt. of India. The same information was also submitted to West Bengal State Designated Agency (WBSDA) as per PAT protocol.

We have completed our PAT Cycle-IV in FY 21-22 and the 3rd party Monitoring & Verification (M & V) Audit was completed according to BEE's guidelines. Reports submitted in July 2022 & final acceptance is still awaited.

Our organization participated in Technical Review Meetings conducted by BEE & discussions held for any specific issue pertaining to our organization, particularly for M & V Audit findings & target setting for next PAT Cycle. Meetings were also attended by representatives from all other Petrochemicals plants in India.

Energy conservation activities were also taken up to focus on energy consumption patterns, to prevent energy loss & to find out improvement areas by developing energy saving schemes. Performance monitoring of power & steam generating units, including Coal Fired Boiler Project's assets, are being continued resulting in optimization at various areas. All activities were documented to comply with ISO commitments, too.

National Energy Conservation Day was celebrated online at plant due to Covid pandemic –

- Technical seminar was organized on "Decarbonization employing Digital Technologies" on 15th December 2022.
- To promote awareness among employees on Carbon Footprint, two training sessions were conducted & reputed faculties from Confederation of Indian Industries, Hyderabad conducted the training program where more than 25 engineers participated in each session.

We also engaged CII-Hyderabad to develop our basic GHG Inventory estimation methodology for FY 21-22 & FY 22-23. They have already established the methodology for FY 19-20 & 20-21; primarily on Scope-1 & 2, with some areas of Scope-3, too. The same approach will be followed in this study.

For our continual efforts towards Energy Management, we –

- Won State Championship Award for the State of West Bengal in the 15th CII ENCON Awards 2022
- Also, achieved 4.75 STAR (5.0 Max) in ENCON Award-2022 in Large Scale Company category conducted by Confederation of Indian Industries (CII) – Eastern Region

After commissioning of Coal Fired Boiler Project, focus remained to reduce operating fuel cost in CPP by increased use of coal and minimizing fuel consumption in CPP based on overall steam & power scenario.

Major Energy Conservation Schemes Implemented in 2022–23

- Scheduled inspection (extended CI & BI) & arresting hot flue gas leakage from exhaust plenum in Gas Turbine#01 at CPP
- Replacement of damaged air preheater tubes in APH of AB#02
- Steam and condensate network survey carried out in LLDPE plant by Armstrong and identified areas of improvement – being planned for phase wise implementation.
- Power saving in hexane pump in HDPE plant by performance study & overhauling of the pump
- Reduction in steam loss by attending leakages & steam trap management across the complex – a continuous process.
- Replacement of existing light fixtures with LED across the complex
- Replacement of motors with more energy efficient motors in selected cases in complex

Like previous years, continuous efforts are also being exercised in the following areas:

- Optimization of excess air at NCU furnaces and all Boilers at CPP
- Optimization of grid import in view of operating philosophy of Gas Turbines (GTs) as well as Condensing Steam Turbine (CST) in CPP
- Maximum utilization of RFG (Residual Fuel Gas) to have minimum liquid fuel consumption in CPP, particularly naphtha consumption.
- Efficient operation of furnaces & boilers – excess air control
- Maximum power generation from Back Pressure Steam Turbine (BPST) and optimization of steam let down through PRDSs.
- Proper pressure & temperature control at PRDSs in CPP
- Steam trap management, leak arresting on a continuous basis.
- Boiler blow down control and optimization.
- Insulation health check & corrective action

Major energy saving schemes / survey / training program being planned and under various stages of development, are as follows:

- Online steam & power optimization for CPP
- Reliability improvement study of both steam & power system in CPP
- Installation of 4th SHP Boiler Feed Pump in CPP
- Optimization of grid import
- Use of domestic coal in coal fired boilers.
- Improved insulation for RFG supply pipelines to CPP
- Carbon Footprint / GHG Inventory
- Training on Energy Conservation for employees at plant

(a) Conservation of energy

(i)	the steps taken or impact on conservation of energy.	Mentioned as above
(ii)	the steps taken by the Company for utilizing alternative sources of energy.	Planning to install 1000 LPD solar water heating system at base kitchen
(iii)	The investment made on major energy conservation equipment / initiatives (Energy efficient fan blade replacement)	Rs. 15 Lacs

Technology Absorption

Technology Absorption, Adaptation, and Innovation

General

- HPL uses latest PYPS+ simulation tool to predict product yield and it is utilised for Naphtha procurement and margin improvement.
- HPL also utilises latest process optimisation Aspen software, HTRI and IP 21 process data historian for continual improvement.
- One line Dash Board (OLPIS) is utilised for monitoring complex parameters, specific consumption, hydrocarbon balance, utility balance, flare monitoring and various management reports.

CPP

- Engineering for fourth BFW pump for improving reliability is under progress.
- Installation of screener and crusher for domestic coal optimisation at CPP

NCU

- As a part of Digital Transformation journey HPL has taken up Real Time Optimizer (RTO) project on fast-trac. Furnace operating condition that will result in the most optimized operation will be decided through mathematical algorithm.
- To enhance control room operators learning and build confidence, Operator Training Simulator (OTS) will be implemented. Pre-programmed training scenarios will evaluate operator performance. Technical Offer evaluation is under progress.
- Two Nos. of energy recovery projects are under design (a) Energy recovery from MP Steam condensate by generating LP steam (b) Energy recovery from DSG blowdown by heating DM water. The hook up will be taken in the next ATR.
- Dilution steam generator new Quench Oil Reboiler installed in Oct’22 to improve heat recovery.
- To improve furnace efficiency at low load operation, remote operation of hearth burner damper is being explored.
- CCTV camera installed for furnace stack monitoring from control room for fast detection of incomplete combustion.
- Remote purging provision of furnace Quench Oil header is being explored to improve operational safety and reduce decoke time.

NCAU

- BDEU plant NMP regeneration system capacity has been increased to reduce NMP losses.
- Proposed BDEU unit Butadiene column reflux condenser redesign as per M/S Lummus recommendation to improve popcorn formation issue.
- Butene-1 recovery increased as per licensor M/S Axen’s recommendation.
- Catalyst replacement planned at PGHU plant first stage reactor for performance improvement.
- Changing Resin at MTBE/Butene-1 plant Second reactor as well as Catacol column to improve Butene-1 /MTBE plant performance.
- Proposed Impingement baffle modification in Water condensate drum at BDEU plant 3V-702 vessel to avoid erosion inside vessel.

HDPE

- Alternative vendors are being explored for improving plant & product performance. Trials were taken after evaluation and product sample testing. Further longer run is being planned to improve plant productivity. This is to give flexibility in availability & pricing of the antioxidant during procurement.
- The existing demister is being replaced with a higher density demister to prevent liquid oligomer carryover.
- Additional vent line has been provided in the vessel to eliminate the jamming of centrifuge.

LLDPE

- Major Electrical motors/relays etc are replaced phase wise for better reliability & obsolescence managements.
- Auto grease lubricator installed for motor reliability enhancement.
- Alternate additive vendor (Indian) development & trial taken for cost optimization & import substitution.
- AB PLC related workstation upgradation
- Two Nos. of Flame detector replaced (TEAL/TiBAL) with new model.

PP

- To enhance equipment reliability online vibration monitoring system has been installed in PP Extruder Main Gear Box.
- Dynamic Separator online vibration monitoring system implemented.
- Machine Doctor installed for Dynamic Separator on trial basis to facilitate predictive maintenance drive.
- Installation of Auto Grease lubricator in rotary equipment.
- New additive trial taken, and more trials planned for PP Plant to establish alternative vendor and to achieve products which will suit market better.
- CCTV installation initiative in plant area for improved and faster response during Emergency Management.

IOP

- Proposed Use of Air blower instead of Plant Air at DM plant neutralization pit.
- Fills replacement at CT-1 to improve the cooling tower performance.
- Cooling towers Water spray nozzle modification to

improve cooling tower performance,
- Proposed LPG feed pump to cracker modification to improve stability in operation of the pump,
- LPG pipeline installed about to commission to improve plant profitability.

QC

- Development of spares & accessories as a cost reduction & import substitution for Lab Instruments with In house Support.
- In house development of New method to increase accuracy, reduce analysis time, Reagent cost & more safety .
- In house Development of secondary standard material for measuring Low Ash content Bag sample.
- 2 No. new vendors have been developed for supply of spares & Chemicals to reduce cost, delivery time.

Expenditure incurred in Research and Development:

		2022-2023 Rs	2021-2022 Rs
(a)	Capital	1,918,686.93	-
(b)	Recurring	141,100,267.37	66,131,612.34
(c)	Total	143,018,954.30	66,131,612.34
(d)	Total R&D expenditure as percentage of total turnover	0.10%	0.06%

Foreign Exchange Earnings and Outgo:

Rs. in lakh

Particulars	2022-23	2021-22
Earned	166,433	279,955
Used	838,580	637,353

Annexure VI

Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2022-23 [Pursuant to Section 135 of Companies Act, 2013 read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. **Brief outline on CSR Policy of the Company:**

   CSR activities of your Company are carried out on the basis of broad guidelines enumerated in your Company's CSR Policy.

   As per your Company's CSR Policy, the primary thrust areas are Promoting Education and Higher Education. Your Company also supports projects that create enabling opportunities and facilities to help disadvantaged students pursue Higher Education.

   Apart from Promoting Education, the CSR Policy allows identification of projects in areas of Healthcare, Health Awareness, Employment Oriented Skill Development, Women's Empowerment on Family, Legal and Financial matters, Sanitation etc.

2. **Composition of the CSR Committee**

   The Corporate Social Responsibility (CSR) Committee of your Company presently comprises of Ms. Shanta Ghosh, Mr. Subhasendu Chatterjee and Mr. Rudra Chatterjee. Ms. Shanta Ghosh acts as the Chairperson of the CSR Committee.

3. **Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.**

   The Composition of CSR committee, CSR Policy and CSR projects as approved by the Board are available on the Company's website www.haldiapetrochemicals.co.in

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.**

Not Applicable.

5	a.	Average net profit of the company as per sub-section (5) of section 135	Rs. 2,051.30 Million
	b.	Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 41.03 Million
	c.	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	NIL
	d.	Amount required to be set-off for the financial year, if any	NIL
	e.	Total CSR obligation for the financial year [(b)+(c)-(d)]	Rs. 41.03 Million

6	a.	Amount spent on CSR Projects	
		(i) Ongoing Projects	NIL
		(ii) Other than Ongoing Project	Rs. 39.73 Million
	b.	Amount spent in Administrative Overheads	Rs. 1.30 Million
		Amount spent on Impact Assessment, if applicable	N.A.
		Total amount spent for the Financial Year [(a)+(b)+(c)]	NIL

e. CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 41.03 Million	NIL	N.A.	N.A.	NIL	N.A.

f. Excess amount for set-off, if any:

Sl. No.	Particulars	Amount
i.	Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 41.03 Million
ii.	Total amount spent for the Financial Year	Rs. 41.03 Million
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount Spent in the Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years	Deficiency, if any
					Amount	Date of Transfer		
1	2019-20	NIL	NIL	Rs. 16.96 Million	NIL	N.A.	NIL	N.A.
2	2020-21	NIL	NIL	NIL	NIL	N.A.	NIL	N.A.
3	2021-22	NIL	NIL	NIL	NIL	N.A.	NIL	N.A.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

   No

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

   Not Applicable.

For and on behalf of the Board

Navanit Narayan
Whole-time Director &
Chief Executive Officer
(DIN: 08280314)

Subhasendu Chatterjee
Vice Chairman
(DIN: 00153459)

Date: 18.05.2023
Place: New Delhi / Kolkata

Annexure- VII

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,
The Members,
HALDIA PETROCHEMICALS LIMITED
Bengal Eco Intelligent Park (Techna)
Tower - 1, 3rd Floor, Block-EM, Plot- 3
Sector -V, Bidhan Nagar
Kolkata - 700091

We have conducted the Secretarial Audit in compliance with the applicable statutory provisions and adherence to good corporate practices by Haldia Petrochemicals Limited (CIN-U24100WB2015PLC205383). (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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31/03/2023 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 also examined the books, papers, minute books, forms and returns filed and other records maintained by Haldia Petrochemicals Limited for the financial year ended on 31/03/2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable)
(v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
(vi) Payment of Gratuity Act 1972.
(vii) Factories Act 1948
(viii) Provident Fund Act
(ix) Sexual Harassment (Prevention and Redressal) Act 2013
(x) Petroleum Rules
(xi) West Bengal Fire Services Act 1950
(xii) The Environment Protection Act 1986
(xiii) The Hazardous Waste Rules 2008
(XIV) The Static and Mobile pressure Rules 1981
(XV) The Radiation and Protection Rules
(XVI) The Explosive Act 1884
(XVII) Industrial Disputes Act 1947
(XVIII) The payment of Wages Act 1936
(XIX) The Employees State Insurance Act 1948
(XX) Secretarial Standard as framed by ICSI
(XXI) Contract Labour(Regulation and Abolition) Act 1970.
(XXII) Listing Obligations and Disclosure Requirements Regulations, 2015-As per Annexure
(XXIII) Prohibition of Insider Trading Regulations 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations as per annexure:

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors; Non-Executive Directors. Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. 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 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.

For S.SARKAR & ASSOCIATES
Company Secretaries

Date -18/05/2023
Place: Kolkata

SANDIP SARKAR
(Proprietor)
Membership No.-FCS 7524
CP No.-9483
PRC No.-2516/22
UDIN-F007524E000304986

Annexure

1. SEBI (LODR) Regulations 2015

a. The Company got listed it's Debt Securities in BSE on 05/07/2022 and as per Regulation 6 of SEBI (LODR) Regulations 2015 it was required to appoint the Compliance officer with effect from the date of listing. However the Company has appointed the Compliance officer on 08/08/2022.

b. The Company was required to adopt the fair disclosure code under Prohibition of Insider Trading regulation with effect from the date of Listing. However it has been adopted by the Company on 08/08/2022.

c. As per Regulation 57(4) of the SEBI LODR 2015 the Company should intimate to the stock exchange in relation to due date of payment of interest at least 5 (Five) working days before of the close of the concerned quarter. The Company has not maintained the same and it was delayed intimation for the month of September, 2022.

2. Other Applicable Laws to the Company

a. No licence under West Bengal Fire Services Act, 1950.

b. No current authorisation letter is available to import and handle the radio active material.

To,
The Members,
HALDIA PETROCHEMICALS LIMITED
Bengal Eco Intelligent Park (Techna)
Tower - 1, 3rd Floor, Block-EM, Plot- 3
Sector -V, Bidhan Nagar
Kolkata - 700091

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc per management representation letter dated 03/05/2023 and I have relied on the representations made by the Company thereunder.
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.

For S.SARKAR & ASSOCIATES
Company Secretaries

Date -18/05/2023
Place: Kolkata

SANDIP SARKAR
(Proprietor)
Membership No.-FCS 7524
CP No.-9483

Management Discussion and Analysis

MACRO ECONOMY AND INDUSTRY UPDATES

The petrochemical industry witnessed a turbulent year amidst sudden rise in feedstock prices, weak demand recovery post-COVID and huge capacity additions, mostly in Asia. Russia-Ukraine conflict created uncertainties about Crude supplies, leading Brent crude prices to reach up to 137 $/bbl in Mar'22. On annual average basis, Brent crude averaged 96.3 $/bbl in FY 23 vis-à-vis 80.7 $/bbl in FY22. Sanctions from US and Europe on Russia led to significant shift in supply chain – leading to Russian crude finding market in China, India, and other Asian countries as against their natural market being Europe. Due to shift in market and consequent changes in voyage time, vessel availability became constrained and logistics cost surged to unprecedented levels, supported further by high fuel prices.

While crude prices remained buoyed, Naphtha market was subdued due to poor demand from Petrochemicals. Global Ethylene demand in 2022 increased by <1% to 174 mmTPA as economic activities in China remained low due to COVID lockdowns and high inflation limited demand growth in developed economies like Europe, US etc. On yoy basis, production from naphtha based producing regions like Europe and Asia Pacific declined by 8% and 5% respectively, putting pressure on Naphtha prices. Despite high support from Gasoline blending, Naphtha prices didn't increase commensurate to crude price movements. Naphtha Crack Spread turned negative in May'22 and remained so throughout the remaining months of the year, which is unprecedented in the history of petrochemical market.

However, Petrochemical industry could not benefit from subdued feedstock prices due to weaker demand and significant capacity additions across the world. During 2019-2022, industry witnessed 32 mmTPA ethylene capacity additions, whereas demand growth during the same period was just 10 mmTPA. Capacity utilization declined to 80% in 2022 from 88% in 2019. Polymer prices declined from 1,300-1,400 $/T range in Apr'22 to < 1,000 $/T in Aug'22 amidst high naphtha prices. Polymer – Naphtha spreads in FY 23 averaged 416 $/T vis-à-vis 527 $/T in FY 22 and even touched 250 $/T in Nov'22. Consequent impact on the Tolling Margin adversely impacted the profitability of petrochemical producers in the entire region, including your company. International Tolling Margin (ITM) turned negative in Nov'22, unseen in last three decades. Several producers in Asia reduced operating rates or even pre-poned turnarounds to minimize adverse impact on the business.

Compared to global peers, your company performed reasonably well due to comparatively better business sentiments in India. Domestic Industry growth was reasonably well compared to global growth and constrained domestic supplies due to various production related issues being faced by Indian producers ensured local prices remaining strong compared to international prices. Commissioning and stabilization of HMEL was delayed due to various technical issues, which further supported the domestic market and the margins.

Going forward, business environment remains challenging due to further capacity additions planned in Asia and weak recovery of demand in China. However, it is anticipated that industry has bottomed-out and business sentiments would improve gradually going forward.

Manufacturing Performance in FY 2022-23

Your company achieved a better production performance in the current year vis-à-vis FY 22 and observed about 10% higher production of Ethylene and Propylene (P+E). This is despite the Plant trip on 15th Dec 2022 which limited availability of one of the furnaces in Naphtha Cracker Unit for production. Operating condition was restored and furnaces were repaired and brought to operation in a systematic manner.

Re-building of damaged furnace is expected by Jan'24. Production summary of NCU and polymers for last four years at a glance:

PLANT	PRODUCTION (MT)			
	2019-20	2020-21	2021-22	2022-23
NCU	985,579	907,343	867,508	958,358
LLDPE Plant	345,712	309,672	297,548	320,448
HDPE Plant	305,802	301,563	276,736	314,519
PP Plant	322,082	289,160	280,177	315,849

Polymer Business Performance

Polymer Business Highlights:

- In FY 2022-23, HPL was able to sell 94% of estimated budgeted volume, with sales shortfall primarily on account of production shortfall in Q4 following plant outrage.
- HPL sold 955 KT of PE and PP during the year which is ~ 14% higher than YoY sale of 836 KT in FY'22.

Industry performance in FY 2022-23:

The domestic market in FY 2022-23 commenced with weak price sentiment, especially in Poly Propylene which impacted domestic sales in the first quarter. Domestic industry experienced an unprecedented drop in PP price.

The polymer (HD+LL+PP) industry in India grew by ~6% YoY as per internal estimates. PE accounted for a higher growth of 7%, whereas PP grew by 5% YoY. The estimated industry polymer sales stand at approximately 12.6 million MT.

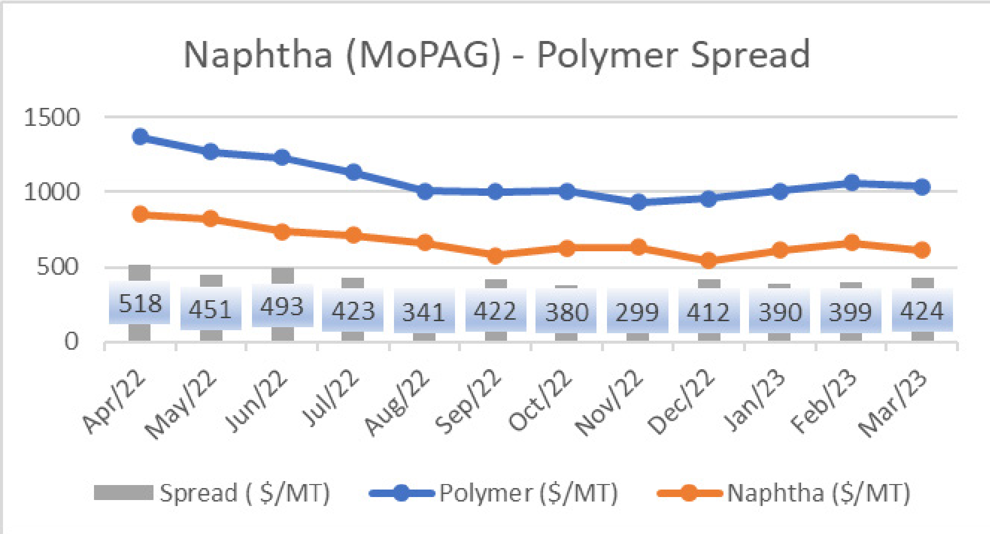
- Intermittent shutdowns were also reported from various plants in India during last year and on overall basis, there was ~12% (1.3 million MT) lower production compared to previous year. Consequent to the above production shortfall and demand growth, the domestic market witnessed record imports of ~ 3.7 million MT during the year, which is higher by 66% (~1.5 million MT) on YoY; PE import witnessed 75% growth over the previous year, while PP import increased by 55% YoY.

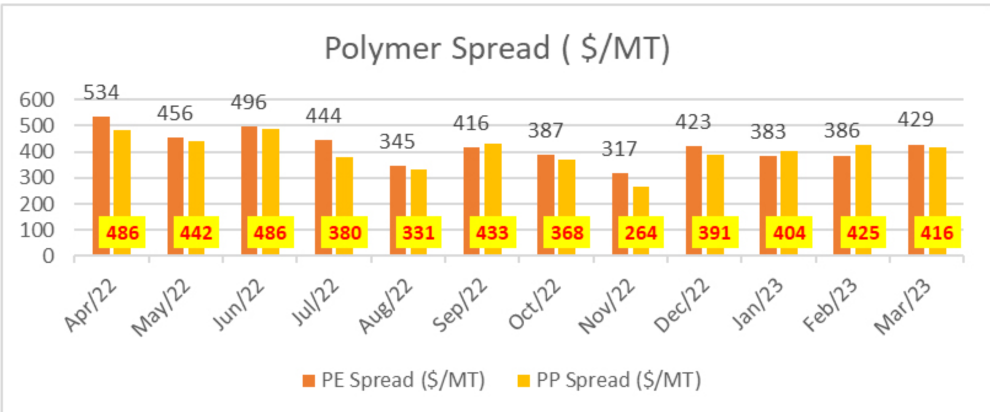
Business Environment in FY 2022-23:

The FY 22-23 started with impact of Russia Ukraine war which broke out towards end of February 2022 and is continuing. This resulted in very high volatility of both upstream and downstream product prices. Brent crude fell by 26% to US$

79 in March 2023 from US$ 107 in April 2022 but touched a peak of US$ 132 around June 2022.

Naphtha (MoPAG) prices decreased 31% by March 2023 from US$ 842/MT in April 2022, although Naphtha price touched US$ 914 / MT peak in early July 2022. Such volatile feedstock prices resulted in squeezed margins for polymer manufacturers. The graphs below highlight the Naphtha-Polymer spread. Naphtha Polymer spread has touched record low of $ 299/MT November 2022.





Market Outlook : 2022 -23

Opportunities

The Government of India's (GOI) has been focusing heavily on Infrastructure & Manufacturing in India and has announced a whopping 33% increase i.e. Rs. ten lakh Cr. of Capital Expenditure on Infrastructure as part of Budget FY2023-24.

The above will directly boost the demand for Pipe, Cement which will in turn will increase PE & PP Demand. Schemes like the Production linked incentive under Atma Nirbhar Bharat applicable on 14 sectors including electronics / telecom / pharma / white goods /auto mobiles/food products, etc. will bring further boost to plastics consumption in the form of increased packaging and component requirements.

The GoI's total outlay for the PLI scheme is about Rs. 1.97 lakh core over a span of 5 years; out of which, auto component scheme outlay is ~ Rs. 25,938 crore; food processing industries' outlay is ~ Rs. 11,000 Crore; medical devices scheme outlay is ~3,420 Crore white goods' scheme outlay is ~ Rs. 6,238 Crore. (Source- investindia.gov.in)

As part of the government's infrastructure boost, tender of projects worth approximately Rs. 8,000 Cr in West Bengal & Rs 10,000 Cr in Madhya Pradesh has been issued under the Jal Jeevan Mission scheme. A further 63,000 Cr tender is planned in West Bengal for JJM scheme between the time span 2022 -2027. This will directly boost the consumption of PE Pipes.

Deloitte has projected India's GDP growth rate at a modest 5.8%-6.3% for FY 2023-2024 considering the global headwinds & disruptions.

Threat

Owing to ongoing Russia-Ukraine crisis, expected lower Chinese demand growth and oil Production cuts by OPEC, it is expected that prices of Crude Oil & Gas, Food grains and other essential commodities will be firm until the disruptions are normalised.

After a rough year in FY 2022 Chinese GDP growth rate are still below the levels estimated earlier. Also, India's rising fiscal deficit poses a threat to economic growth. With the recent failure of multi-Billion-dollar Banks like SVB & Credit Suisse global, the economy is expected to be in a critical juncture balancing inflating prices & recession fears.

Overseas players already have made significant inroad last year taking advantage of supply gap due to production outage and higher price arbitrage of Indian price level. The various FTAs have also added as an advantage of various international exporters to India.

With much higher supply expected from domestic players, there may be a pressure on Polymer Price in India to throttle the imports and make adequate space to place the entire production volume into domestic market only.

Business Environment In FY 2022-23

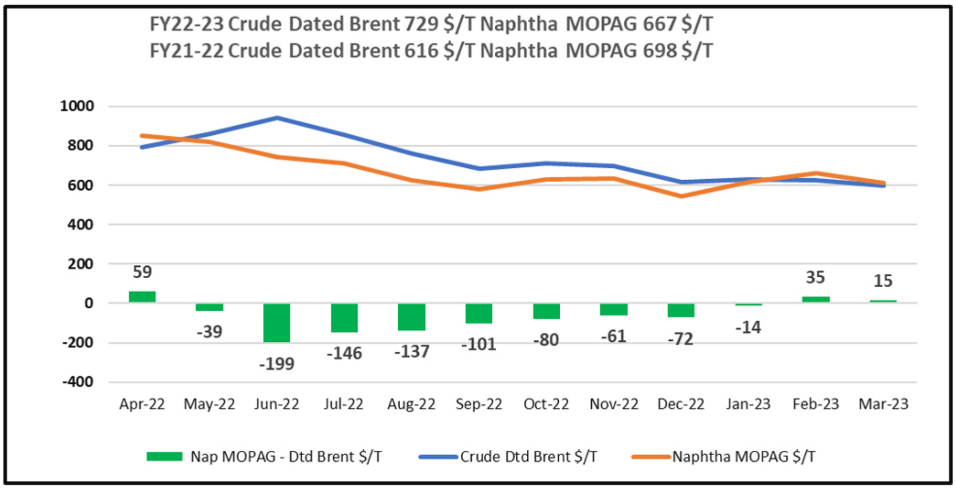
CRUDE OIL & NAPHTHA

- As the world economies were gearing to be back to a stabilised world beginning 2022, the Russian war with Ukraine however, resulted in unprecedented uncertainties from commencement of FY2022-23. This led to a major geo-political uncertainty and shift in global business and trade flows, resulting in immense global volatility especially in Oil & Gas Sector:
- The above resulted in a disproportionate rise in freight due to vessels plying longer routes:
    - o Sanctions and price caps on Russia Crude Oil and Petroleum products by US/ EU /G7
    - o Russia routing their crude oil and products to other avenues like China, India and other eager buyers in Asia, Middle East, Africa, Latin America, etc,
    - o USA moving their oil & gas supplied to Europe to meet their energy requirements.
- China being world's largest consumer of petrochemicals products, announced their strict Zero Covid Policy during 2022, resulting in virtually no anticipated demand growth in China during FY2022-23 resulting in flooding of major exports of petrochemical products into India.
- All of the above further resulted in high inflation globally

prompting all developed economies like USA, UK & European Union to resort to frequent interest rate hikes. India also followed global trend in frequent hike in interest rates during the year.

- The OPEC+ and US remained in differential decision points in respect to production cut decisions on oil to control prices, like while US released crude oil from Strategic Petroleum Reserves, OPEC+ continue to monitor and maintain production cuts. This resulted in a high degree of volatility with the Dated Brent moving within a wide range of 71.71 $/b (on 20th March 2023) to 132.06 $/b (on 14th June 2022). Overall, Brent crude oil prices rose sharply in FY22-23 averaging at 95.95 $/b vis-à-vis 81.12 $/b in FY21-22 with Russia Ukraine war & embargo, OPEC+ cuts, trade uncertainties as mentioned.
- However weak demand scenario for polymers and petrochemicals resulted in olefin margins with respect to naphtha being low and Asian Naphtha crackers running at low capacity (NEA cracker rates @ 70-80%) for most part of FY22-23 and several crackers taking lengthy shutdowns. The Tolling Margins saw an unprecedented level of low numbers including few days becoming negative.
- Naphtha price directionally followed crude, the crack spread Naphtha MOPAG over Dated Brent was negative in FY22-23 which averaged (-62) $/T compared to 82 $/T in FY21-22.
- Another important factor was the high freight scenario, which caused the Naphtha MOPJ – MOPAG spread to rise to average 69 $/T in FY22-23 against 29 $/T in FY21-22 further depressing the MOPAG Values.
- Absolute naphtha MOPAG price averaged 667 $/T in FY22-23 vis-à-vis 698 $/T in FY21-22. Thus, there was a fall despite crude price rise. However, Margins remained tight due to low demand in China and flood of cheaper imports from low producing countries into India.
- On 1st April 2022, Naphtha MOPAG started with 842 $/T and ended with 582 $/T on 31st March 2023. Overall Naphtha MOPAG moved in a wide range between 914 $/T (on 18th April 2022) and 520 $/T (19th December 2022) .

Market Movements in FY 2022-23 Crude : Brent vs Naphtha MOPAG:



Raw Material Procurement and Logistics : Fy 2022-23

The volume of Naphtha, the main feedstock procured during FY 2022-23 and previous year is as follows.

FY	Total, KT	Import, KT (%)	Domestic, KT (%)
2022-23	1,776	1,078 (61%)	698 (39%)
2021-22	1,709	884 (52%)	825 (48%)

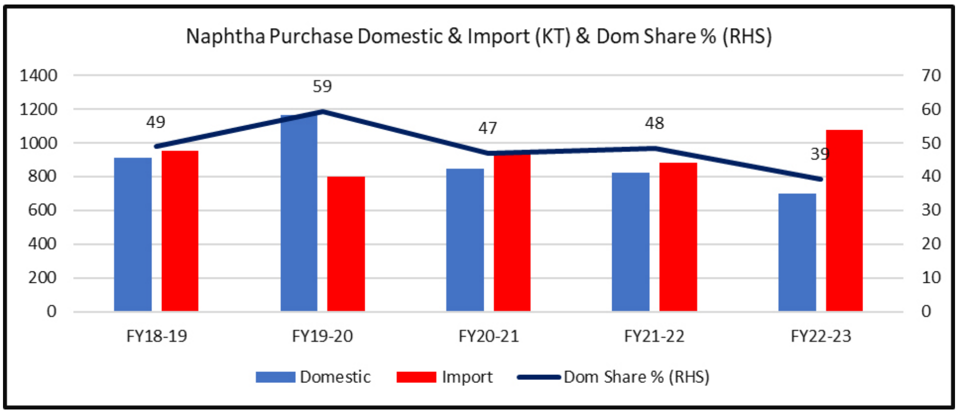
In FY 22-23, the biggest challenge faced in naphtha sourcing were:

- Increase in Naphtha Basic Customs Duty from 1% to 2.5%: Import of Naphtha is a strategic need to meet overall quality requirements of the feed.
- Basic Customs duty on import of Naphtha was raised from @ 1% to @ 2.5% in Government in FY 2022 Budget, which resulted in negative impact of approximately US$10 per Metric Ton imports.

However, post introduction of Comprehensive Economic Partnership Arrangement ("CEPA") between India Government and UAE Government in May 2022, import duty on naphtha from UAE was waived. Accordingly, HPL maximized its imports from UAE origin, thereby reducing the negative impact of the duty rise.

Sharp rise in freight market increased overall purchase cost. While freight cost saw unprecedented rise in this year, your Company had undertaken various steps to contain the ocean logistics cost by managing long term chartering of vessels under Contracts of Affreightment ensuring stability in coastal vessel placement, reduction of dead freight and providing scheduling flexibility.

Reduced availability from domestic sources meeting HPL quality requirement, due to MS maximization by Indian refiners and processing of Russian crude, resulted in drop in domestic production in comparison to FY 21-22.



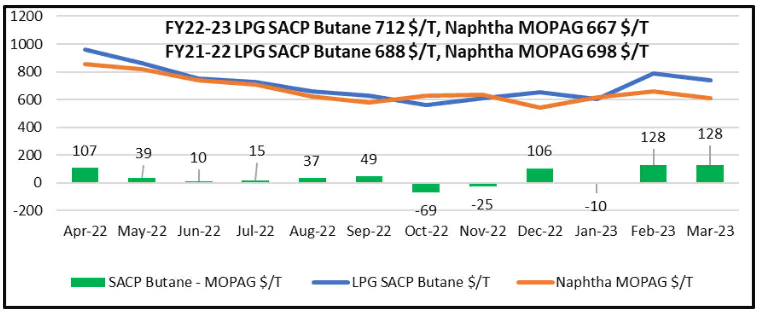
Feed Security: For securitization of feedstock, around 68% of naphtha purchase was tied up through Term contracts.

METHANOL SOURCING: Methanol is a raw material for Butene-1 plant which is currently under Adperma, a wholly owned subsidiary of your Company.

HEXANE SOURCING: Polymer grade hexane of approximately 2,500 MT annually is required as solvent for the HDPE Mitsui plant. In FY 2022-23, in view of difficulties in arranging high cost iso-containers for importing hexane, lower cost domestic alternate was developed without compromising the quality. The Domestic proportion in FY 22-23 was therefore 100% vis a vis 72% in FY 21-22.

PROPYLENE SOURCING: Considering economic parameters from time to time, HPL purchased Propylene from domestic sources to maximise Polypropylene production.

LPG SOURCING: To reduce the cost of feedstock Naphtha, and considering economic parameters opportunistic sourcing of Butane LPG was done utilizing Butane LPG cracking capability. During FY 2022-23, about 28,000 MT of Butane LPG was procured from domestic sources at Haldia.



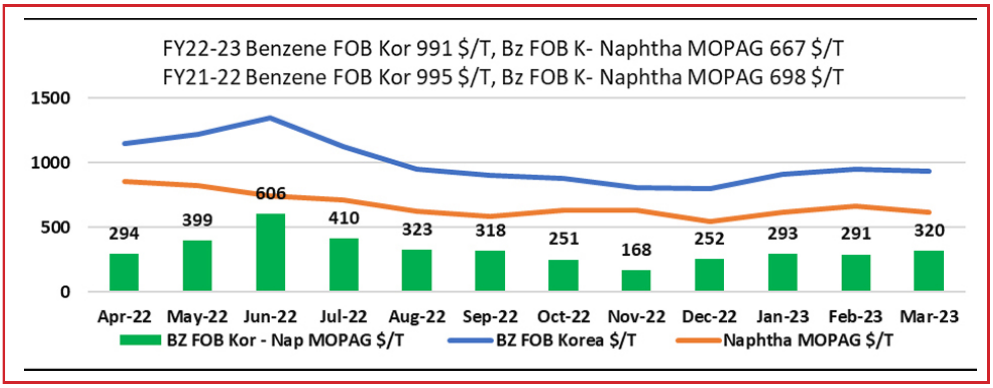
Chemical Sales: Business Environment In Fy 2022-23

Basic Chemical Prices: Basic chemical product basket consists of five products namely Benzene, Butadiene, Cyclopentane, Pentanes and Butene-1.

Benzene: The fundamental demand of Benzene from major downstream Styrene, Phenol and Caprolactam remained weak from with lower demand in China, and approximately 1.5 million MT of new Benzene capacity was added globally in CY2022 primarily in China. It was further weakened by higher East China stocks and subdued US spot prices keeping arbitrage economics unviable from movement from Korea.

On the upside, absolute prices of Benzene got support from lower cracker runs due to weak polymer margins and reformate going for Gasoline Blending instead of aromatics extraction.

(Platts FOB Korea) prices fluctuated widely between 730 $/T (on 28th Nov 2022) and 1,462 $/T (on 8th Jun 2022) in FY22-23. The average price in FY22-23 was 991 $/T which was around the similar level of 995 $/T in FY21-22. The average spread between Benzene FOB Korea to Naphtha MOPAG was 324 $/T in FY22-23 which has improved from 297 $/T in FY21-22 :

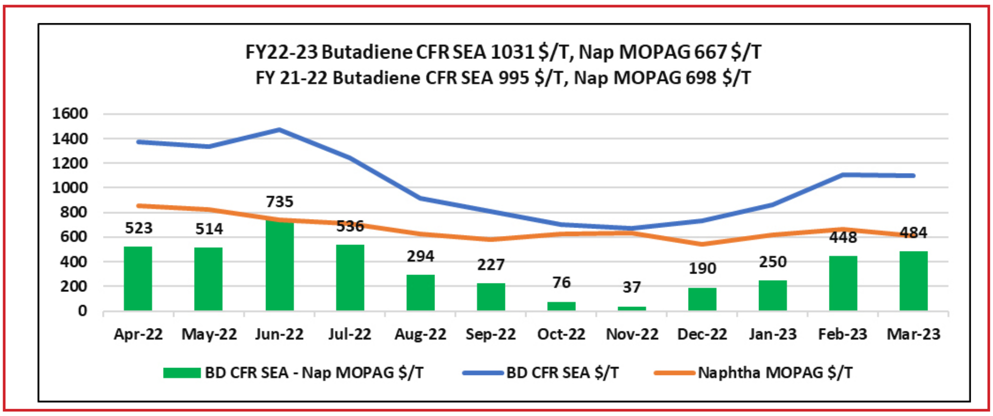


Butadiene: Market remained under pressure due to lower demand from the downstream PBR, SBR and ABS especially in China with continuing auto industry slowdown and pressure on export goods demand. Also the demand of NB Latex used for medical hand-gloves fell post COVID19. As per ICIS data base, approximately 1.1 million MT of new Butadiene capacity was added in CY2022 globally, with majority capacity in China of approximately 700,000 MT and balance in Korea/ SEA.

However not much capacity was added in the same period for major downstream. The only support for price was low production with naphtha crackers running at lower capacity with weak olefin margins & polymer demand. As a result, price benchmark (Platts CFR SEA) plummeted from a high of US$ 1,500 per MT on June 10th, 2022 to a low of US$670 per MT on November 10th, 2022.

The average price in FY2022-23 was US$1,031 per MT, which was higher than of US$ 995 per MT in FY 2021-22.

Spread of Butadiene CFR SEA over Naphtha MOPAG averaged US$364 per MT in FY2022-23, vis-à-vis US$ 297 per MT in FY 2021-22, but much lower than last 5-year average of US$ 449 per MT.



Cyclopentane: Your Company is the sole manufacturer of Cyclopentane in India with limited production capacity of 500 Metric tons per month. In FY 2022-23, there was major rise in domestic demand for white goods and several global white good manufacturers of reputed brands has been setting up and expanding their manufacturing capacities in India, thereby increasing the demand of Cyclopentane.

Your Company could therefore increase its domestic market share to exports from 60:40 in FY 2021-22 to 75:25 in FY 2022-23. While the price of cyclopentane varies with Naphtha MOPJ market, the premium over this marker was also improved from US$700 per MT in FY 2021-22 to US$ 890 per in FY 2022-23.

Energy Prices: Your Company's energy product basket consists of Liquefied Petroleum Gas (LPG), Hydrogenated Pyrolysis Gasoline (Pygas), Motor Spirit (MS) or Gasoline, Carbon Black Feed Stock (CBFS) and Methyl Tertiary Butyl Ether (MTBE) for fuel application.

Motor Spirit (MS): The Global gasoline prices have steadily improved in H1 of FY 2022-23 and reached highest level in June 2023 as the demand in regions like US, Europe, ASEAN increased with reduction of COVID19 restriction. The above resulted in higher margin over Naphtha. However, with pandemic resurgence in China and China following zero Covid till November 2022 Chinese exports went down and the very high margins could not be sustained. The average Gasoline marker MOP Singapore 92 averaged at US$ 89.66 / bbl in FY 2021-22 vs US$107 / bbl in FY 2022-23 .

Considering better margin over naphtha your Company restarted the manufacturing and exported Gasoline from July 2022. Approximately 41,000 MT of MS was produced and exported during the year.

Pyrolysis Gasoline ("Py Gas" is the Blend stock for producing Motor Spirit): The basic price of Py gas moves in line with naphtha prices with a premium over Naphtha MOPAG. HPL's Py. Gas primarily goes to SEA and ME regions and is also placed in the domestic market.

With the improvement in domestic MS production and sales, your Company had been able to place approximately 60% of its total production i.e. 67,000 MT of Pygas in domestic sector and balance of 40% or approximately 44,000 MT was exported.

CBFS: During FY 2022-23, out of 61,000 MT of CBFS production, HPL internally consumed approximately 43% as fuel in its power plant and balance was sold in the domestic Carbon Black manufacturers.

Pentanes: Your Company had launched the existing C5 Raffinate stream in the market in the name of 'Pentanes' from June 2022 onwards and approximately 1,200 MT was sold in domestic market. The product is in the development stage.

PERFORMANCE: FY 2022-23

In FY 2022-23, Chemical sales accounted for 32.9% of HPL's overall sales volume in KT and contributed 23.5% to overall Net Sale Value (NSV).

Chemical sale for current financial year vis-à-vis last FY21-22 is given below:

	FY: 2022-23		FY: 2021-22	
	Volume (KT)	NSV (INR Crs)	Volume (KT)	NSV (INR Crs)
Polymers	963	10,462#	843	8,767#
Chemicals*	472	3,217	399	2,539
TOTAL	1,435	13,679	1,242	11,306

 # Net sales value (NSV) represents Basic Price net of Upfront Cash Discount & Applicable Post Sales Discounts.

** Chemicals Sales including Trading of Methanol sales done under Adperma (0.9 KT Volume, 10.95 Rs Crs NSV in FY2022-23 vs 12.4 KT Volume, 84.63 Rs Crs NSV in FY2021-22)*

Chemicals sales volume was higher by 18.3% in FY 2022-23 on account of lower production in FY 2021-22 due to planned and unplanned shutdowns in FY 2021-22. The NSV in FY 2022-23 is higher by 26.7% due to improvement in chemical prices over FY 2021-22 with higher crude price levels impacting commodity prices with the Russia invasion of Ukraine, restart of gasoline exports whose demand & prices shot up as economies opened since COVID19, etc.

MARKET OUTLOOK: FY2023-24

CRUDE & NAPHTHA FY2022-23 ACTUAL

Crude Oil Price (Brent) $/bbl	95.95
Naphtha Price (MOPJ) $/T	736
Naphtha Price (MOPAG) $/T	667

Crude oil volatility may continue with uncertainty considering:

- Timing of potential end of the Russian war and lifting of sanctions on Russian crude oil and related petroleum products.
- Diversion of oil flow to China/India, etc. Changing trade flows.
- Changing Geo-political dynamics and new emerging trade and business blocks.

Bearish factors that could impact Crude prices include:

- Fear of Global recession.
- Inflation ruling on higher side even after the interest rate hikes from major global financial authorities.
- Potential further financial failures of banking institutions in US & Europe.

On the Bullish side factors that may affect the crude price include :

- OPEC+ adjusting output on the face of recessionary fears like in Q1 FY 2022-23 their current production cuts increased to 3.66 mbpd.
- The demand recovery in China.

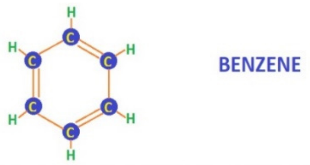
With respect to Petrochemicals and naphtha market, improvement in China demand and increase in naphtha cracker rates going forward is expected in the second half. Considering these factors Net Asian (including MEA) Naphtha shortfall is likely be approximately 1.64 million tons per annum in FY2023-24 as provided by IHS March 2023 Market report, which is more than approximately 1.45 million tons per annum in FY 2022-23.

BASIC CHEMICALS OUTLOOK: FY2023-24

BENZENE: Benzene demand will depend upon downstream recovery in China, operating rates of crackers, alternate viability of reformate gasoline blending or paraxylene production, the arbitrage viability from Korea to US.

As per ICIS data base, approximately 3.7 million tons of Benzene new capacity was added in CY2023 globally which will mainly come in from China (>3 million tons) and balance in Asia Pacific / MEA.

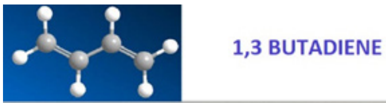
Of these incremental capacities, approximately 1.5 million tons will be used for new Styrene capacities while balance will go for Phenol, Caprolactam, etc capacity. Hence there will be additional surplus created, with more Benzene capacity than downstream capacity.



BUTADIENE: Butadiene capacity is set to increase in CY 2023 by about 1.2 million tons per annum with commissioning of new capacities in Asia mainly in China (0.9 million tons per annum) and balance in Asia Pacific/MEA.

These will get partially get consumed (0.6 million tons per annum) in downstream capacities of PBR, SBR, ABS, NBL, Adiponitrile in Asia. Hence there is higher Butadiene new capacity with respect to new derivative capacity.

Derivative demand of Styrene Butadiene Rubber (SBR) and Poly Butadiene Rubber (PBR) will be largely dependent on the revival of automobile industry which is currently undergoing a transition phase of shift from conventional ICE engines to eco-friendly EVs / Hybrids, hence market remain uncertain.



ENERGY PRODUCTS OUTLOOK: FY 2023-24

Historically prices of energy products like PyGas, Motor Spirit, MTBE & CBFS mostly track Crude & Naphtha price.

MOTOR SPIRIT (MS) / PYGAS

Summer driving season in West and tourism sector in ASEAN likely to keep demand strong in near term. MS production however would depend on MS naphtha spread and profitability of selling MS vis a vis Pygas in the Export Market.

Pygas will cater to both for domestic & export markets as gasoline blend stock and will also be used internally for MS production.

CBFS

CBFS internal usage within HPL's Haldia complex as Captive Power Plant (CPP) fuel is proposed to be reduced during FY 2023-24 with the new Coal Fired Boilers (CFB) get fully implemented. The plan is to use approximately 40% of CBFS production captively which will reduce further in coming years as CFB operation gets smoother.

As there is restriction of sale in Fuel Oil sector in several states with environmental concerns, efforts are being made for long term supply tie-up with existing domestic Carbon Black customers for regular sale.

Business Development

Business Development initiatives primarily focusses on addition of downstream polymer processing capacities and also continues to focus on expansion of end use consumption base of polyolefin processed products in Eastern India with special focus on West Bengal.

Downstream Capacity Addition: During FY 2022-23, approximately 62 new plastic processing machines were installed in Eastern India by 47 units with addition of nameplate processing capacity of around 148,000MT per annum. Out of the above in Eastern India, in West Bengal 24 new machines by 18 processors with an annualised processing capacity of 57,000 MT was installed.

The largest capacity addition was in the HDPE Pipe sector, comprising estimated nameplate capacity addition of 84,000 MT per annum in 24 units comprising 57% of total capacity addition. This was followed by the addition of an estimated 50,000 MT per annum by 13 units in PP/HDPE Raffia sector, representing 34% of total capacity addition.

In order to facilitate new entrepreneurs in setting up downstream processing units, HPL supported Techno-Economic Pre-feasibility reports for majority of the downstream units set up during FY 2022-23.

Market development initiatives with New Focus Areas: During the year, HPL primarily focused on application of Polyethylene based finished products into high growth areas of infrastructure projects including HDPE Pipes, Sandbags and some innovative products for Agriculture practices.

HDPE Pipes:

Your Company has taken initiatives to promote HDPE pipe in rural potable water supply projects of Public Health Engineering, Kolkata Municipal Development Authority, Irrigation & Sewerage management projects in West Bengal as well as other states of Eastern India like Odisha, Jharkhand, Chhattisgarh, Assam and Tripura through various seminars, workshops, one to one meetings and regular close follow ups with various Government Advisory Departments to enhance use of quality HDPE pipe by replacing traditional piping materials.

The flagship initiatives of GoI "Jal Jeevan Mission" ("JJM"), with aim to provide "Functional Household Tap Connection" ("FHTC") to every household in India by 2024, boosted the demand of HDPE pipes across the country.

HPL's sustained and regular persuasion facilitated incorporation of HDPE pipe (PE 100 & PE 80) from OD 63 mm to 315 mm in revised "Schedule Of Rate" ("SOR") of "Public Health & Engineering Department" ("PHED"), GoWB. Accordingly, PHED thereafter adopted an internal policy to use HDPE PE 100 pipes pipe in all new potable water supply projects in the state. Tender process has been released by PHED, GoWB till March 2023 towards procurement of more than 100,000 km of HDPE pipe (approximately 90000 metric tons) for the ongoing projects.

With Company's promotional efforts as well as Government spending on infrastructure projects, the usage of HDPE pipe has significantly picked up in Eastern India. There has been 62% growth on YoY basis in sales of HDPE pipe grades in Eastern India and HPL witnessed 70% growth in its sale of

HDPE pipe grades in Eastern India in FY 2022-23 against FY 2021-22.

Some of large on-going projects in which HDPE pipes are predominantly being used:

- **"Jal Jeevan Mission / Jal Swapna Mission"**: Aiming at piped water supply to 20 million houses in West Bengal by FY2025. The estimated Project Cost would be approximately Rs. 63,000 Cr, which would have an estimated HDPE pipe requirement for 200,000 km that would require approximately 170000 metric tons of HDPE resins.
- **"ADB-PMU" Project of PHED, GoWB:** Aiming to supply purified drinking water in arsenic & fluoride contaminated ground water in three districts – 24 Parganas North, Bankura and East Midnapur.
- **"Odisha - Jal Jeevan Mission":** Rural Drinking Water supply Project in Odisha by RWSS. The estimated Project Cost would be approximately Rs. 37,000 Cr, which would have an estimated HDPE pipe requirement for 140,000 km that would require approximately 140000 metric tons of HDPE resins.
- **"Assam - Jal Jeevan Mission":** With 90% financial assistance of GOI, rural drinking water supply project in Assam. The estimated Project Cost would be approximately Rs. 35,000 Cr, which would have an estimated HDPE pipe requirement for 80,000 km that would require approximately 75000 metric tons of HDPE resins.
- **"Jharkhand - Jal Jeevan Mission":** "Har Ghar Nal Jal" by DWS- Jharkhand (Rural Drinking Water Supply project), under National Jal Jeevan Mission scheme, Estimated Project cost of Rs 20,000 Cr. The estimated Project Cost would be approximately Rs. 20,000 Cr, which would have an estimated HDPE pipe requirement for 80000 km that would require approximately 55000 metric tons of HDPE resins.

"Chhattisgarh Jal Shakti Mission": Rural Drinking Water Supply project by PHED, Government of Chhattisgarh. The estimated Project Cost would be approximately Rs. 25,000 Cr, which would have an estimated HDPE pipe requirement for 40,000 km that would require approximately 20000 metric tons of HDPE resins.

The estimated requirement HDPE pipe grade resin for the above projects would be more than **500 KT** in the next three years.

Sand Bags:

Your Company identified HDPE sandbags as a low-cost solution for riverbank erosion control. Since riverbank erosion and its control is one of the major issues in West Bengal, adoption of HDPE sandbags not only has immense social impact in flood control (and thereby ESG positive impact) but also has enhanced demand growth.

HPL developed BIS standard (IS 14252:2015) compliant UV stabilized HDPE woven sandbags in close collaboration with a West Bengal based HPL downstream units and introduced HDPE sandbags into **"Unified Schedule Of Rates" ("USOR")** of Irrigation and Water Ways Department (I&WD), GoWB. The potential of sandbags in I&WD project is ~15 Cr bags equivalent to 9,000 MT HDPE consumption per year with an estimated value savings of Rs. 350 Cr per annum (positive "ESG" impact).

With continuous follow-up, this product was recommended by I&WD in one of the large river embankment projects (cost ~ Rs. 5,500 Cr), assisted by World Bank Fund at Howrah and Hooghly district. M/s L&T GeoStructure is executing this project and already procured 30 Lakh bags for this project. Positive impact in HPL's business growth has been 180 metric tons of HDPE T9 grade.

Regular interactions with the decision-making officials, I&WD GoWB have facilitated to adopt an internal policy to implement HDPE sandbags for all projects protection wall construction which are semi-permanent in nature of I&WA.

At present three West Bengal based HPL downstream units are manufacturing these bags after getting desired BIS-certification.

In FY 2022-23 Irrigation & Water Ways Department, GoWB used ~ 5.5 million HDPE sandbags in their different projects at districts like Howrah, Bardhhaman, Murshidabad, Malda, 24 Parganas (N&S), East Midnapur resulting in HDPE T9 grade consumption of approximately 350 metric tons.

To augment the scope of its utility, the Company developed the design of large anti-slip HDPE bags (1mX0.7m) with higher strength, which are being used for protecting the riverbank where water velocity is high. With satisfactory performance of these bags at a pilot project on the bank of river Damodar at Howrah, L&T GeoStructure already procured 8 Lakh units of this bag for World Bank Funded project site in Howrah & Hooghly.

Sustainability- Plastic Waste Management Rule 2016:

"Ministry of Environment, Forest & Climate Change" ("MoEF & CC"), GOI implemented Plastic Waste Management Rule 2016 (amended time to time) and EPR (Extended Producer Responsibility) Policy in Feb'2022 and also notified to phase-out a list of Single Use Plastic (SUP) items from 1st July 2022.

HPL is coordinating towards incorporating certain warning statement for creating greater awareness amongst our customers like "HPL products not to be used for production of banned Single Use Plastics" on invoice, printing on packaging bags, price list, Technical Data Sheet, HPL website etc as per the direction of Central Pollution Control Board. Communication has been issued to all our direct active customers about prohibition on supply of our raw material for production of banned Single Use Plastic (SUP) items with copy of this communication to CPCB, State PCB and Pollution control council.

HPL continues to partner with **"India Centre for Plastics in the Environment" ("ICPE")** especially in the areas of Waste Management and sustainability. ICPE was set up on the recommendation of a task force constituted by **"The Ministry of Environment and Forests" ("MoEF")**. It is a nodal agency recognized by the GOI to handle all issues related to Plastics and Environment in India.

HPL utilized ICPE's digital platform to conduct a series of webinars on "Responsible use of plastics and reduction of carbon, water and energy footprint with more use of plastic products". More than **4,000** students of 50 schools pan India participated in the webinars. All the programs were very well received and highly interactive.

Raw Material Procurement and Logistics

During the year the Company witnessed substantial hike in prices of majority of chemicals and additives in comparison to the previous year.

Inbound Logistics: Your Company is facing challenges in Logistics because of significant increase in freight costs owing to delayed vessel booking, reduced container availability, undue delays in getting connecting vessels from trans-shipment points etc.

Scrap Disposal: Dismantled Items of Project Supermax and their spares lying at plant were identified as obsolete spares. MM Dept. able to dispose through auction.

Market Outlook: FY 2023-24

Product Development and Technical Support

The Application Research & Development Center (ARDC) Testing Laboratory successfully renewed and enhanced the scope to function as an NABL Accredited Testing Laboratory as per ISO/IEC 17025: 2017 following assessment & audit of the laboratory's processes and systems by National Board for Accreditation of Laboratories.

The Product Development and Technical Support (PDTS) group spearheaded the processes for Licensing of all Polyethylene products by Bureau of Indian Standards (BIS) as per IS7328:2020 as mandated by the Government of India. HPL is now licensed for Marking of "ISI" logo on every polyethylene bag and marking was implemented from 8 April 2022.

Customer support was provided to resolve technical issues and help retain market share & customer loyalty, reduce compensation claims from customer complaints. Regional Technical Services personnel provided technical support. Online Technical meetings initiated during the lock-down period due to COVID 19 remains an established communication tool to augment the regular on-site visits to customers. An online portal "PDTS e-platform" to address all technical queries of customers & provide technical support is maintained by PDTS as a ready repository for Regional Technical Services.

Developmental and customer support related activities were taken up on priority and completed. PDTS group continued the evaluation of new and alternative additives for wider procurement options and benchmarking competitor products to remain competitive in terms of product quality.

An extensive benchmarking exercise was undertaken to test & analyze different grades of polyethylene and polypropylene products that were being used by customers in different application segments. More than 3500 tests were conducted on HPL grades & competitive products in the PDTS laboratory at ARDC. The data generated along with the customers' shared experiences have been shared with the plant functions and improvement projects undertaken to further improve HPL's grades. The information has been disseminated among the marketing staff in the Head Office & the Regional Offices highlighting the core strengths of HPL products. The benchmarking activity scope has now been enhanced to include evaluation of products from Technologies that are under consideration for the future O2P projects.

The PDTS group was actively engaged in the development of 19 new grade recipes and polymer compounds to meet the future demands of the Indian market. Three (3) of the developmental products have been adopted for commercial production to retain business volumes with major National customers viz Sintex Industries and Nilkamal Plastics. New Catalyst based trial products (2 grades) were positioned in the market for performance. This will provide alternate source for high value input of polymer plant catalyst. Projects were undertaken to increase the recycled content in end-products without affecting the quality as part of the sustainability initiative.

PDTS has taken initiative in developing new markets for the Low Molecular Weight HDPE (PE Wax). As a part of the initiative, extensive testing and evaluation of raw LMW HDPE from HDPE Plant were carried out. Based on the various types of LMW HDPE fractions produced during manufacturing of HDPE, separate grades of LMW HDPE are being identified and characterized for positioning in the end use market. This initiative is taken for value addition to this plant by-product by suitable segregation at the production stage and positioning in the market.

PDTS has been continuously involved on evaluating alternative and new sources of polymer additives with a view to broaden the vendor base for sourcing and reduce costs. Domestic manufacturers' products have been evaluated to replace usage of imported antioxidants.

The PDTS group has worked collaboratively with Technology and Manufacturing teams to identify alternative sources of catalysts for the polymer plants, resolve process related issues (e.g.,usage of Mixed donor Catalyst in PP and Alternate Z-N Catalyst in HDPE).

PDTS has coordinated with Corporate Projects, Manufacturing, Machinery Vendors and Strategic Planning Team towards the progress of the Refined PE Wax Project. Product related inputs related to raw wax and Refined Wax grades was provided to Strategic Planning for the Project Feasibility and final Management Approval of the project. The raw material and target finished product specifications were drawn up based on in-house testing and analysis coupled with extensive third-party testing. Based on the raw material and finished product related inputs, Detail Engineering Contractor has progressed with finalizing the plant design, PDTS.

PDTS has been facilitating the R&D activities at TCG Life Sciences related to PE Wax and Polymer additives for the extended contracts.

Technical support was also provided to:

- Business Development group in promotion of HDPE Pipes and Agricultural Film products in GoWB projects;
- Materials Department in developing vendor for HPL's polymer packaging bags & in identification & technical qualification of new sources of additives & chemicals;
- Technology Department in assessing options in Catalyst & Chemicals and Technical Service Agreement with Licensors;
- Strategic Planning and Corporate Projects in Technology Selection for the new projects;
- AdPlus and AdPerma in identification of value-addition projects and Technology Selection for downstream projects.

Financial/Liquidity position of the Company

After COVID-19 and bull prices during last financial year, India was optimistic towards growth with recovering stock market, improving reserves, picking up of production and manufacturing activities, recuperating market forces of demand and supply, interest rates and volatility getting under control, at least to an extent. However, Russia-Ukraine conflict brought new challenges for India and the whole world. While proportion of India's trade with Russia is just around 1% of economy`s foreign trade there was significant indirect impact on Indian economy due to domestic inflation and economic decay caused via market factors such as rising prices of commodities, unprecedented depreciation of Rupee, rising crude oil prices and its impact on the economy as a whole. Downturn in commodity cycles and global macroeconomic disruptions also had its adverse impact on the operations of the Company.

However, China's gradually opening up, eased supply bottlenecks and consequent softening of inflation. Despite challenges inherent to the commodity business, your Company was able to generate sufficient cash to meet its obligations.

Your Company continues to manage its surplus funds efficiently through prudent and cautious treasury operations. The guiding principle of the company's treasury investments is to keep safety and liquidity of investment over and above returns. In view of this, the Company invested its surplus funds predominantly in debt schemes of mutual funds and fixed deposits with banks. This has enabled the company to earn reasonable and stable returns. Your Company has exposure to foreign currency risk on account of its payables and receivables in foreign currency which are mitigated through the guidelines under the foreign currency risk management policy approved by the board of directors. Your Company has entered into need based derivative financial instruments to mitigate the foreign currency risk.

Your Company continues to maintain adequate liquidity in the system to create a growth-supportive credit environment have a strong liquidity position as well as maintain adequate working capital limits for uninterrupted business operations. Your Company has also been leveraging trade finance products covering receivable and payable products.

During the year your Company successfully completed its maiden issuance of secured redeemable listed non-convertible debentures. Through this maiden issuance, your Company will be able to make its presence in the dynamic debt securities market, besides opening up a new market linked source of fundraising for the Company, with freedom of operations adhering to the financial parameters and financial covenants.

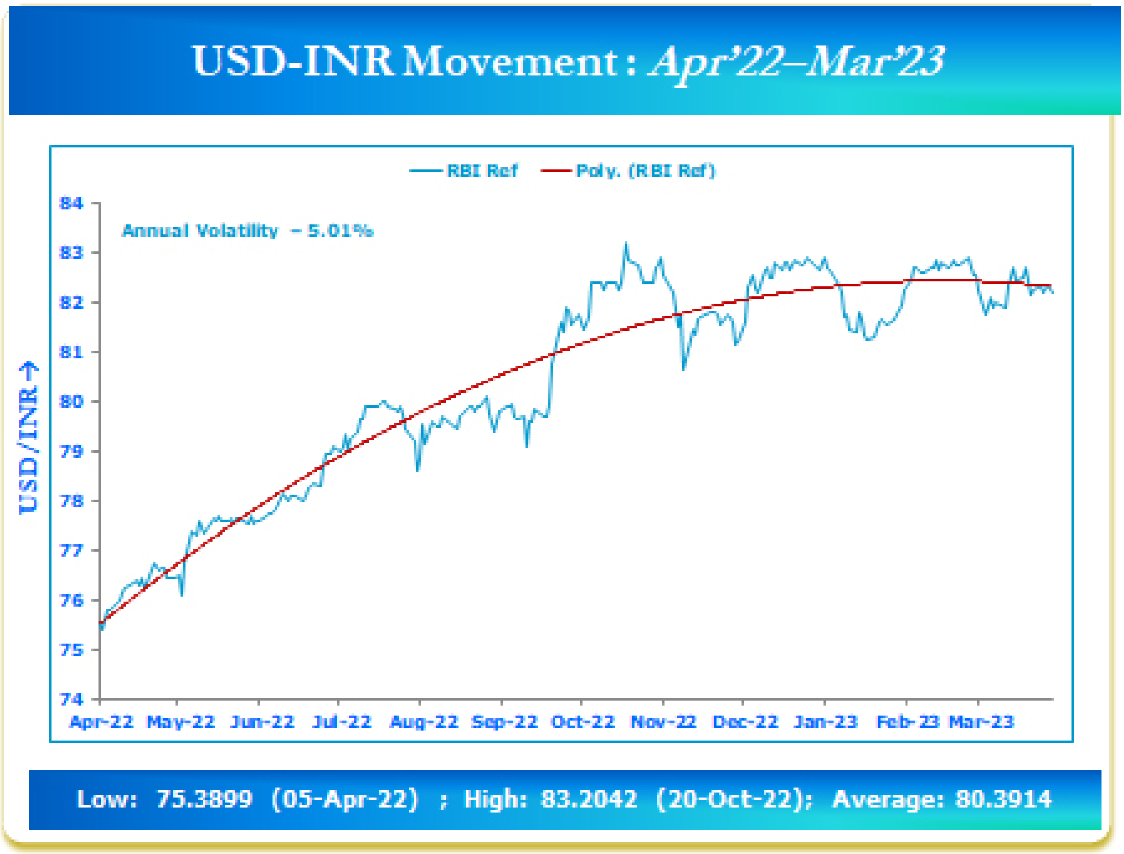
To augment the long term resources, besides the issuance of NCDs, your Company also raised additional long term financing to pursue its growth objectives without adversely impacting the systemic liquidity. Your Company has been regular in servicing its debt and other financial commitments. Both ICRA and India Ratings have reaffirmed credit rating of AA- with stable outlook for your company.

With optimal operations, maiden issuance of non convertible debentures and availment of long term facility, the cash and cash equivalent balance of your Company stood at ~Rs. 3,400 crore as on 31.03.2023. Besides utilization of cash in regular Capex, the surplus was invested in various debt denominated market linked instruments. Your Company's treasury operates within the ambit of laid down guidelines including periodic check of transactions and performance by independent Internal Auditors.

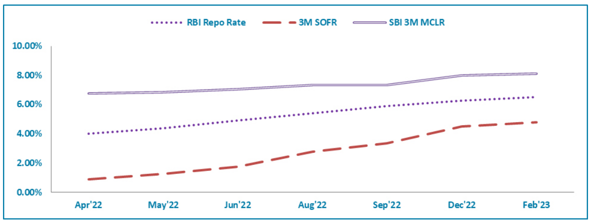
Your Company continues to maintain adequate insurance cover for its entire assets including loss of profit, cargo transit, liabilities and employees with coverages in line with size of the Company and its nature of business.

In the currency market, the average INR: USD exchange rate was around 80.36 per USD, a sharp fall of 7.6% over the average rate of 74.50 per USD for 2021-22. This decline was mainly on account of appreciation in the US currency on safe haven appeal amid fears of recession and inflation across many parts of the world and Russia-Ukraine war. The rupee traded in a broad range of around 8 rupees from 75.32 to 83.29 per USD. The movement till October-end was almost unidirectional. Such movement in the INR:USD exchange rate has been seen in the past years, too (once in a bracket of 3-4 years), but the most notable movement was in forward premium, which more than halved and fell even below 1.70% p.a. The fall in the premium re-emphasizes its relationship with the US and India interest.

In FY 2022-23, your Company handled foreign currency transactions exceeding USD 1.35 billion, covering imports, exports, long term investments and foreign currency loans. The net foreign currency outflows (as reduced by the inflows) were settled at a favourable level. The below chart gives a comparative highlight of the USD-INR movement in FY 2022-23 vis-à-vis the settlement rates for foreign currency inflows and outflows of your Company.



With respect to Money market and interest rates, during the year, Central bankers were forced to embark on a much more aggressive rate hike path than markets were expecting at the start of the year. The year ended up with higher rates, shrinking but still surplus liquidity and yield curves indicating a slowdown ahead. In a nutshell the year was a combination of excessive liquidity overhang, low rates and improving growth, elevated inflation, and hope of gradual normalisation. The liquidity has now normalised close to neutral, Repo Rate hiked from 3.35% to 6.25%, and the recent pause in a consistent rate hike by MPC, indicates that the rates have almost peaked out. The below chart gives a comparative highlight of the movement of various bank rates in FY 2022-23



Your Company continuously monitors the financial markets to assess financing and investment opportunities to raise financing at optimised cost and deliver optimal returns respectively. It identifies opportunities to reduce interest costs and extend maturity profile of its existing debt portfolio. It also maintains a prudent mix of funding sources across instrument classes, financing products and investor classes to reduce the overall cost of borrowing. In line with your Company's strategy, it has maintained a judicious mix of borrowings comprising of Rupee and Dollar denominated exposure, with nimble shifting across various benchmarks and currencies. Further to maximise return on investments, your Company focused on proactive rebalancing of portfolio duration and mix in tandem with the evolving interest rate / yield curve movements.

Enterprise Risk Management

The ambit and focus of risk management framework is gradually widening and evolving over the period of time. Your Company is also attuning itself proficiently to handle the risk by way of assessing and mitigating the same to the extent controllable.

The evolved Enterprise Risk Management (ERM) warrants identification, analysis, evaluation, mitigation and monitoring of the financial, strategic, operational risks to attain the business target and objectives with a thrust to arrest the adverse impact of these risks. Accordingly the Company has designed a dynamic risk management framework to manage its risks effectively and efficiently, so as to meet its business objectives. The company has suitable process of identification, analysis and prioritization of key risks, including external, strategic, compliance, operational, financial and other risks related to its operations. Based on the above broad areas of risks, the Risk register of HPL, is framed. The Risk Register is comprised of potential identified risks, which HPL is exposed to and classified such risks on their likelihood and impact basis into High-Medium-Low.

The Company has laid down well-defined procedures for its various activities keeping in mind the related risks associated with these activities and appropriate risk mitigation strategies. All the operations and transactions in the Company are carried out in accordance with applicable rules & regulations, Company's Policies and Standard Operating procedures so as to assess the risk, if any, associated with such operations / transactions and minimize the same. The process helps the Company to focus on the effective risk management to enhance its long-term sustainability with robust growth. At HPL, the ERM framework is spearheaded by the Risk Management Committee (RMC) of the Board of Directors, whose responsibility is to actively ensure that risk management activities are undertaken as per the established policies. A Risk Management Committee comprising of CEO, CFO, Head-Mktg and Head-Strategy review and monitor the risk profiles of HPL periodically. Head- Risk/Chief Risk Officer is responsible for coordination of the Risk Management activities, governance and compliance and is also the convenor of Risk Management Committee.

With the framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, Environment, Social and Governance related risks), information, cyber security risks, legal and regulatory risks, the company is gearing up for measures for risk mitigation including systems and processes for internal control of identified risks to achieve sustainable growth apart from a robust Business continuity plan.

Besides above, The Commodity Risk Management Committee, Forex Risk Management Committee and Plant operations and safety committee also meets on regular intervals for take stock of various activities having potential impact on the business and formulation of strategy for potential risk mitigation. Your Company has also formed a working committee of senior executives from finance and business teams to further augment on the skills and experience to mitigate the business risk with enhanced strategies and tools, which is yielding benefits to the Company.

The management is also akin and abreast of the need of managing various business risks and attuning itself with the changing needs and requirements to safeguard the business from the possible and potential risk thereby protecting the stakeholders' interest.

Internal Control including Financial Control and Its Adequacy

Adequate internal control system, including internal financial control system, commensurate with size of its operation, are in place and operating effectively throughout the year 2022-23. Top risks of the organizations have been identified with existing control mechanism as a framework for managing risks and internal controls. Internal control systems comprising of policies and standard operating procedure are designed to ensure sound management of company's operations, safe keeping of its assets, optimal utilization of its resources, reliability of its financial information and compliance. Digitization of the business sub processes are being continued with objective for enhancement of controls and maintenance of audit trail. Compliance activities are ensured by implementation of robust online compliance monitoring system.

At the beginning of the year, the annual audit plan, based on risk assessment of various processes and sub processes has been approved by the audit committee. The audit plan aims to evaluate the efficacy and adequacy of the internal control system of major business processes, compliance thereof with applicable statutes, robustness of the internal processes, policies, accounting and standard operating procedures to ensure internal controls are operating effectively throughout the year across all business functions. Systems and procedures are periodically reviewed to further strengthen the internal control system and optimize costs, keeping pace with its growing size and complexity of its operations. During the year under review, no material or serious audit observations citing non-compliance or inadequacy of internal controls have been received from the internal as well as statutory auditors. The company has well structured Delegation of Authority (DoA) structure, which lays down, business process wise detailed financial authorization limits of different officials as delegated by whole time director. During audit, compliance of such DoA has been extensive reviewed. HPL's internal controls are in commensurate with its size and nature of its operations.

These systems provide reasonable assurance that company's internal financial controls are designed effectively and are operating as intended.

Update on Coal Fired Boiler Project

A. Coal Fired Boiler Project

Coal Fired Boiler Project was commissioned on December 31, 2021 and running satisfactorily since then with significant contribution and value addition to the business process.

B. Pipe Conveyor Project

Pipe Conveyor project for coal transportation from Haldia Dock Complex to HPL Plant is 85% complete and Mechanical Completion including commissioning is expected to be over by Aug 2023.

Human Resources

Human capital remains our biggest strength and your Company is in the constant process of nurturing talent for the future for sustainable growth backed by proper succession planning. Our constant efforts towards employee skill upgradation, learning and development have been well rewarded, providing value to our people and the Company. Our endeavour remains to ensure all our employees and associates are given ample opportunities to learn and grow while enjoying work in safe workplaces, free of all discrimination and bias.

Employee health and wellness is another strong focus area of your Company and have developed several integrated frameworks that is focused on three important actions – exposure to world-class learning and personalized learning paths through our online learning platform, that helps employees keep track of their digital capabilities.

Several Human Resources (HR) initiatives were undertaken in FY 2022–23 with continued emphasis on nurturing, developing, and engaging with the human capital, in the organisation including:

Awareness workshops on Prevention of Sexual Harassment (POSH) were organized for all employees including Contractual Employees throughout the year to create awareness about the objective & provisions of the POSH Act and ensure a safe and healthy work culture that HPL is known for.

Performance Management system for Non–Executive employees (Members) was also further revised to bring in more fairness, transparency in the system by re-designating them as "Assistant" and creating new grades from A 09 to A 014 within WL-V category.

Learning and Development (L&D) activities to develop and nurture potential future leaders and to create an organizational culture that thrives upon growth through learning and power evolution towards excellence. As a part of this continual development exercise Senior Management Team members involved in Talent Acquisition process were imparted training on Effective Interviewing Skills facilitated by Dale Carnegie India.

Workshops on Building Emotional Intelligence were rolled out for around 100 management employees. Specially designed and customized 'Winds of Change' training program was rolled out for all non-Management category employees. As per our "We Care" Policy, financial aid of Rs. 3,00,000 was provided to the families of deceased Contractual Employees with an objective to support their livelihood. Strategic Talent acquisition initiatives were revitalized with the organization announcing green field projects and capital expansion in its core business.

Your company values the immense contribution of the employees and have instituted "The Long Service Award" to recognize employees completing 20 years of uninterrupted service in the organization. In the current year, we recognized several employees for their commitment and contribution to the cause of growing the organization over the years. The award was presented to employees who have completed 20 years of continued service at HPL as a token of recognition for being prominent pillars in the company's success.

Being in the manufacturing process industry, the human resources of your Company work 24 hours a day at the plant. HPL, in its journey towards creating an environment of inclusiveness, higher performance, and equal opportunity, in agreement with the female employees, has initiated B shift duty (2 PM to 10 PM) for a few of the female employees at the plant from January 2023.

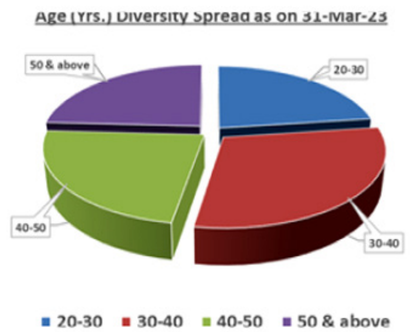
The employee count of your Company stands at 948 as on 31st March 2023. The average age of employees (both Management & Non-Management) is 41 years.

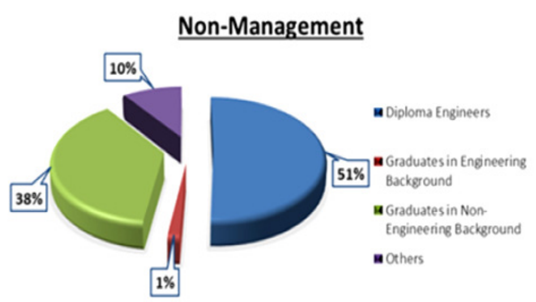
Industrial Relations: Effective liaison and continuous engagement with government officials, statutory authorities, trade union representatives and workforce groups helped the organization to maintain harmonious and congenial industrial relations at the Plant.

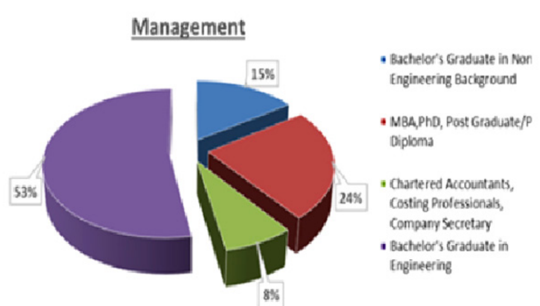
The Memorandum of Settlement for Monthly Rated Contractual Employees (MRCEs) at Plant has a validity upto December 2023. The wage revision for Supply workers of warehouse has also been arrived at tripartite level for the same period.

The employee count of your Company stands at 948 as on 31st March 2023. Being in the manufacturing process industry, we work 24 hours a day at our plant. HPL, in its journey towards creating an environment of inclusiveness, higher performance, and equal opportunity, in agreement with the female employees, has initiated B shift duty (2 PM to 10 PM) for a few of our female employees at the plant from January 2023.

Being a young and vibrant organization, the average age of employees (both Management & Non-Management) is 41 years.







Corporate Social Responsibility

HPL is committed to ensuring the social wellbeing of the communities in the vicinity of its Plant through Corporate Social Responsibility initiatives (CSR). The Company's CSR policy, including overview of projects or programs undertaken or proposed to be undertaken, is provided on the Company's website.

On the CSR front, HPL works primarily through the TCG Foundation towards supporting projects in the areas of education, healthcare, women empowerment, sustainability, rehabilitating the destitute, preserving Indian art and culture, rural development and disaster relief.

The annual report on our CSR activities is appended as **Annexure VI** to the Board's report.

The company has focused on several corporate social responsibility programs over the years and has affected the lives of millions of people. As per the company's Corporate Social Responsibility (CSR) Policy it continued to improve the lives of not only the local community around the plant at Haldia but also communities in other parts of the State and the country.

In sync with the company's focus on capacity building in human capital the primary thrust areas of the CSR projects continued to be promoting education, research and improving healthcare. Your Company perceives CSR as an opportunity to contribute towards upliftment of the society at large. The CSR philosophy of your Company is embedded in its commitment to all its stakeholders, consumers, environment and society.

Your Company perceives Corporate Social Responsibility (CSR) as an opportunity to contribute towards uplifting the society at large. The CSR philosophy of your Company is embedded in its commitment to all stakeholders namely, consumers, environment and society.

Your Company's sustainable approaches towards practicing humble service to Humanity on a sustainable basis, has enabled it to continue fulfilling its commitment to be a socially responsible corporate citizen. The CSR philosophy of your Company is embedded in its commitment to all stakeholders namely, consumers, environment and society. The CSR activities of the Company are undertaken through TCG Foundation, Kolkata.

The total amount available for CSR spending, being 2 (two) per cent of the average net profits of your Company made during the 3 (three) immediately preceding financial years, during the financial year 2019-20 aggregated to approximately Rs. 16.96 Million. During the year under review, your Company has transferred a sum of Rs. 16.96 Million to TCG Foundation in terms of the Companies Act, 2013. The details of CSR initiatives undertaken by the Company are provided at Annexure VII.

The CSR Liability during the FY 2022-23 was Rs. 4,10,30,000/-.

Health, Safety, Environment and Fire

Your Company continued its focus on Health, Safety & Environment Management practices meeting international standards – ISO 14001:2015 & ISO 45001: 2018. Your company has developed a policy & procedures on HSE&F and has taken objectives & targets which contains your Company's commitment towards HSEF practices and action plan for meeting objective.

Your Company has taken several initiatives to improve awareness and safety practices during the Financial Year 2022-23:

Process safety: Sensitization workshops have been conducted, by an external vendor of repute, in batches to cover all management employees customised to their job role. In all 437 employees participated in this workshop. A GAP identification, analysis, and implementation road maps is being done through a globally reputed agency who is pioneers in this field. Also, Recommendations of Risk Based Inspection (RBI) study, have been being implemented prioritizing NCU plant.

People's safety: As committed, your company has achieved **ZERO LTI for 2022-23** and has worked 935 days LTI free, that accounts to be 39.64 Million-Manhours. Company has taken several stringent processes while executing critical jobs in plant. Emphasis has been being given on Job Risk Assessment and management strategy, communication, and confirmation to workforce through Toolbox Talk and monitoring by safety during execution. Extensive effort is being done to move towards independent safe work culture through BBS.

Health safety: Apart from normal OHC activities, Special effort has been taken to improve health of outsourced people by periodic medical examinations, consultation, and treatment, free of cost. Services of plant's OHC has been augmented by manning 24x7 basis by qualified doctors.

Environment safety: Apart from legal compliances during normal operations, extensive efforts are being made to supplement existing green belt green belt by planting saplings, around 10000 saplings are being planted. Company commissioned a Coal Based Power plant that increased carbon footprint and hence a fresh study and improvement plan, through CII Hyderabad, has been initiated.

Fire safety: All existing protective barriers are being honed regularly to have 100% reliability. Added one Foam Tender in the existing fire appliance for better preparedness of Emergency management.

HEALTH

- To take care of medical emergencies in silent hours, effective December 2022, Plant OHC is manned round the Clock by Doctors.

- Apart from company employees, periodic Medical Examinations (PME) has been extended to perennial outsourced employees.
- Free medical assistance is being provided to all out sourced employees suffering from Hypertension, Diabetes and Hypercholesterolemia. In all 615 outsourced employees have been provided free consultation, necessary testing, and medicines. This effort reduced few sicknesses absenteeism of outsourced employees.
- Effort has been made to educate employees on life style diseases. In all 9 Nos. of training sessions were organized on different relevant topics like Diabetes, Hypertension, Dyslipidemia, Breast cancer, Cervical Cancer etc. for the HPL Employees and Contract Employees.
- A voluntary blood donation camp was organized at Plant to support Thalassemia Patients. A total of 85 voluntary blood donors among employees and Contract Employees of HPL including some Top Management People had donated blood in the camp.
- A free Medical Camp was organized at Khudiramnagar with collaboration of local club for displaced persons. Service of free checkup and consultation, medicine distribution, blood sugar and blood group checking were done. About 50 people from displaced families were treated in presence of dignitaries of Haldia Municipality

SAFETY

- Your company has achieved 935 days LTI free working those accounts to be 39.64 Million-Manhour.
- No applicable legal noncompliance in respect of Factories Act & Rules, Petroleum Rules, SMPV Rules etc.
- In all 33023 participants manhours were spent of HSEF training for employees (both HPL and outsourced employees) that accounts to 12.56 manhours per employees.
- Several special target-oriented training for our employees by National safety Council were organised viz. Safety in handling and transportation of petroleum products, QRA, Hazard Prediction Technique (KYT) for Zero Accident - A Japanese Concept, Audit methodology.
- Effort in being made to improve integrity of assent and operational reliability, in this respect implementation has been initiated. PSM awareness training programme organised for all employees by external experts. Also, in respect of PSM, a GAP assessment and implementation road map is being made through an external agency of global repute.
- All Plants are being regularly inspected by different groups under the heading of Plant safety inspection / Cross functional audits to identify hazards and take control measures to prevent incident & accidents.
- Third Party safety audit were also carried out by external agency and compliance report submitted to Statutory bodies.
- Safety Quiz, Safety Talks , Safety Slogan, Safety Crossword puzzle & safety Poster and various safety promotional activities were organized for all employees for motivation towards safety. National Safety Day / week (4th March onwards) was celebrated with various activities like Safety Drama, Intercompany Safety Quiz competition, exhibition cum demonstration of Personnel protective equipment across the HPL complex and for neighboring industries. In addition Safety promotional activities were held monthly at various TSC & DQT levels to enhance safety consciousness & promote safety culture at the workplace.
- An extensive PSSR has been conducted in CPP to ensure the new or modified process or facility is safe and operable before startup and to ensure the task or equipment is used safely.
- All high-risk jobs have been monitored by the safety team to execute the jobs in safest manner possible. A special effort is being made to identify, assess, and manage the risk of executing jobs. The same is also being verified by safety while executing to ensure full compliance.
- Work zone monitoring & measurement were carried out to identify & control various workplace hazards like Noise, Ventilation, illumination & work zone dust & fumes for safety of the people.
- Safety communications were held at a regular interval for participation of employees in Safety Management through various safety committee and field meetings.

ENVIRONMENT:

Legal compliances: All applicable environmental legal compliances were made up to date all through the year.

- Possessed valid Consent to Operate till 31.03.2024, issued by WBPCB.
- Obtained Consent to Operate (CTO) from WBPCB for 6" LPG Pipeline laid from IPPL to HPL.
- Obtained Consent to Establish (NOC) from WBPCB for construction of the overhead pipe conveyor for transporting coal from Haldia Dock Complex to HPL Coal Yard for the CFBC Boilers.
- Submitted advance intimation letter to WBPCB to import hazardous chemicals and catalysts for the FY 2023-2024.
- Submitted Annual Hazardous Waste Return (Form 4) & Annual E-waste Return (Form 3) to WBPCB within due date.
- Submitted Environmental Statement (Form 5) for FY 2021-22 to WBPCB within the due date.
- Renewed the Public Liability Insurance Policy with required contribution to Environment Fund.
- Prepared and submitted an action plan (short term/ midterm/long term) towards pollution mitigation as per the directive of CPCB.

Environmental Monitoring/Measurement/Maintenance

- To improve data security, environmental data being generated by 3rd party laboratory is being uploaded software (LIMS) of HPL.
- Installed and commissioned two nos. of upgraded online Hydrocarbon Analyzers at Central Lab and for AAQMS at SCR by replacing the obsolete ones.
- Persuaded with Haldia Municipality for cleaning/ desilting of the Greenbelt Canal adjacent to HPL Link Road for survival of the greenbelt trees; HM cleaned up the canal as far as possible to ease out the flow of water, thereby arresting the overflow into the greenbelt.
- Taken up massive plantation activities to increase the green coverage – planted around 7100 Nos. of saplings in the northern side of the Greenbelt and 519 Nos. of saplings inside the plant boundary alongside the road and plant OSBL.
- Conducted periodical environmental statutory monitoring as well as monitoring of various process control parameters of WWTP, RO Plant & CT in plant as well as STP & Swimming Pool in HREL including Drinking Water through a 3rd party, Scientific Research Laboratory (SRL), duly approved by MoEF&CC, WBPCB and accredited by NABL.

Environmental Promotional Activities/Celebration

Celebrated World Environment Day & Month during Jun-Jul 2022 with plant, HREL and community involving local schools & NGO. The Day was celebrated with plantation of saplings in HREL and Plant as well as distribution of 500 Nos. of fruit saplings to local community & school through Haldia Vigyan Parishad; Organized an awareness session for the employees on Tropical Cyclones and other relevant issues on Climate Change by Dr. Sanjib Bandyopadhyay, Dy. Director General and Head of Eastern Region of India Meteorological Department, Alipur, Kolkata; Conducted Environmental Quiz by professional Quiz Master amongst children of HPLites as well as employees representing various DQTs. Organized Sit & Draw competition for children of employees at HREL Club. Also organised Inter-school Environment Quiz and Inter-School Extempore competition and a short drama on Environment at Haldia Institute of Technology Auditorium involving the local schools of Haldia in association with Haldia Vigyan Parisad & TOI as media partner.

FIRE SERVICES

- All fixed and portable firefighting systems are regularly being honed to assure 100% reliability.
- Fire Service Week was organized at HPL and HREL to spread awareness among Employees and HREL Dwellers on Fire & Safety aspects.
- Fire department took Initiative to share one page ''Knowledge Sharing on Fire Fighting Equipment'' to all HPL employees to create awareness.
- All fire appliances and protective barriers are kept in "ready for use" condition for handling any kind of emergencies and also rescue purposes.
- Fire Water Network Reliability Improvement effort is being made by chemically treating fire water to prevent internal corrosion.
- One New Foam tender received in March 2022. This will improve firefighting capability.
- Emergency Mock Drills were conducted as per schedule. First Time silent hour night mock drill conducted successfully in the month of December. Factory inspector also witnessed the same.
- Tabletop exercise on emergency preparedness is also conducted with all departments on field for probable emergency scenarios.
- Augmented fire protection system of HDPE Flaker house by installing medium velocity water spray system (MVWS).
- The pig receiving station has been protected with medium velocity water spray system (MVWS).

Training:

Apart from classroom training on various modules, practical Fire Fighting Training is being imparted to all HPL and contractor employees on a regular basis. In all 2399 and 1059 man-hours of training were imparted to both HPL and Contractors employees, respectively.

Third party training on Work at height and confined space rescue conducted for employees. In all 30 Auxiliary Fire Crew members received specialized rescue training form all possible scenarios.

Information Systems: 22- 23 Snapshot

The Digital framework is now ready with integration of data across various functions. The foundation of Data HUB with help from SAP S4 HANA, Enablon & MCUBE is now ready to be utilized for various analytics and analysis.

Our focus was more on the maximum utilization of the solutions deployed and concentrate on projects which will help company's performance and save cost including improved reliability and governance.

This financial year we were focusing on some of the key business areas which will drive future value and impact positively on our EBITDA in coming years.

The Digital interventions were focused in the following areas:

Hydrocarbon Accounting & Daily EBITDA report– with real time monitoring of Yield & Energy – identify key drives leading to HC Loss and implement measures to minimize the same. Variance Analysis end-to-end hydrocarbon information management system i.e. computing the material balancing from the Naphtha load port to the HPL Plant dispatch gate. Based on daily reconciled hydrocarbon quantities, daily/weekly/monthly EBITDA report is generated. The key benefits from this automated solution are:

- Automated Tag based measurement leading to HC Accounting & measurement of losses.
- Capturing the monthly reconciled figures and identify areas of improvement.
- Daily variance analysis of tag overrides leading to process and sensor improvement.

The Electronic Proof of Delivery (EPOD) / E-Tracking / E-Complaint - developed in MCUBE Analytics Platform and Ethereum Block Chain Technology with tracking partner Freight Tiger has been rolled out. This was the first of its kind solution in the petrochemical sector and will give immense value for money to our business stakeholders. This will enable real time tracking of materials dispatched and enable Just in Time delivery commitments to our customers. The process of electronic proof of delivery has also ensured seamless transport bill processing enabling bill discounting benefit for the company.

SAP BPC (Business Planning and Consolidation) process automation has also enabled efficiency in budget and planning process. **Systemization and automation of the following Process through SAP BPC implementation**

- Annual Budget (with mid-year review and month plan)
- 5 yrs Rolling Forecast
- MIS (Profitability report by Plant, product and region, variance analysis report)
- Planning Areas (Sales Plan, Production Plan, Expense, Capex, Financial)

IIOT based Predictive Analytics Solutions deployment at plant through smart IIOT sensors have helped proactive monitoring of equipment's. This has led to early event detection of any anomalies and thus reducing the unplanned downtime of the equipment. This has led to improvement asset reliability.

SAP SAC (Analytics Cloud) based Dashboards and Reports deployment has enabled near real time monitoring of leading KPI's impacting the business. This has enhanced transparency of the process KPI's and visibility across the value chain.

HREL TOWNSHIP

The Directors of your Company are pleased to present the 25th Annual Report and the Audited Financial Statements for the Financial Year ended on 31st March 2023.

HREL TOWNSHIP STATUS

LAND DETAILS

- Total Area: 221.86 Acres
- Area of Lake: 46 Acres
- Super built up area: 45 Acres
- Graded open space: 55 Acres
- Ungraded vacant land: 75.86 Acres

NEARBY FACILITIES

- Nearest Railway Station Hatiberia : 2 Km
- Nearest Highway NH41 : 8 Km
- Bus stand : 3.5 Km
- Main Market : 10 minutes' drive

- Educational institutions : Within radius of 3 Km
- City center mall : 7 Km
- Bi-weekly village market outside : HREL Gate-2

WATER SUPPLY

- HREL Township is getting portable water from Haldia Development Authority regularly and the water distribution system is working smoothly. However, the increase in salinity of water during summer makes it difficult for dwellers to use the same for drinking. This is being mitigated to a great extent by mixing the PHE water with our Underground two Bore Wells water before distribution.
- All 3 Nos. Borewells with submersible pumps for drinking water supply as additional arrangement at HREL are functioning well.
- HREL is also providing Drinking water to adjacent villages daily two times (Morning & Afternoon for 1.5 Hrs at both times) (Ramgopalchack & Rayryanchack) at 5 locations.

ELECTRICITY

Synchronization between 500KVA & 125KVA DG has been done and now its combined DG power back up capacity is 625 KVA.

HREL LAKE

The HREL Lake measuring 46 acres is leased out to an external agency for aquaculture. This has helped the Company to maintain the lake and improve the security of the township. In order to further improve the security issue at the south side of the Lake, electrification and area illumination has been done with available resources. A new agreement has been executed for a further period of three years w.e.f. 1st June 2022 with annual fees of Rs. 5 Lakh plus applicable GST and 5% escalation on renewal of every year.

Solar Power Plant

HPL is committed towards a growth synergy that includes all its stakeholders, especially Nature. At Haldia Riverside Estate Limited (HREL) township, Haldia a solar power plant is commissioned in 2021 which powers the entire township which is spread over around 200 acres. Not only promoting but incorporating sustainability in our lifestyle at HPL. Committed to a greener & better future through commitment, practice & innovation. HPL's strategy to achieve carbon neutrality is aligned with various other moves to revitalise the environment that nurtures it.

INTEGRATED ESG APPROACH TO SUSTAINABLE GROWTH - HPL

ESG Performance Report FY 2022-23

Introduction

Integrated ESG approach to Sustainable growth

HPL is committed to championing sustainability through its strategy, business processes and decision-making. Delivering business responsibly is our commitment to stakeholders and accordingly all our decision-making processes are integrated with economic, environmental, social and governance considerations. As we invest in future ready business, our ambitions and efforts are aligned to different facets of environmental, social, and good governance principles with an aim towards creation of a circular economy. We consider ourselves a responsible corporate citizen and recognize the crucial role that we need to play to build an environmentally sound, socially inclusive, and well-governed, transparent society. We are committed to leaving no stone unturned in our endeavour of harbouring a sustainable approach in our operations and develop a more ESG (Environment, Social and Governance) compliant business environment.

Our ability to integrate ESG to achieve sustainable growth is dependent on our long-term relations with our stakeholders and engaging with them helps us understand their expectations which shapes the way we conduct our business operations to create value and transform into an organisation of the future. As part of our continuous effort to integrate sustainability within daily business operations, we have decided to disclose our ESG performance more comprehensively through this section of the report.

Stakeholder Engagement

To realize our vision in sustainability, which entails becoming a global leader in demonstrating implementation of health, safety, and environment improvement practices, we are committed to continually improve upon these areas. We consider ourselves a responsible corporate citizen and we aim to build a sustainable, socially inclusive, and transparently governed business following industry best practices and aiming to go above and beyond the standards set.

At HPL, stakeholder engagement is regarded as fundamental to sustainable value creation. Sustainable businesses are enabled through creating and fostering strong relationships. Engaging with our stakeholders and opening channels of dialogue with them helps us understand their requirements thereby enabling us to respond accordingly. Moreover, engaging with a diverse perspective provides us with a wider horizon, challenging us to do better, accelerating our innovation, supporting our transparency efforts to build a sustainable business, and improving our ESG performance. Ongoing engagement and interactions with our stakeholders enable us to build a shared understanding of potential risks in the industry, ongoing global trends, and market expectations. We endeavour to develop an understanding on these issues and find solutions that are conducive for both our business and our stakeholders.

Some of our key stakeholder groups include investors, regulatory bodies, employees, management, suppliers, local communities, and customers.

Modes of Stakeholder Engagement:

Our Stakeholder	Mode of Engagement	Expectation
Employees	• Regular Employee trainings • Seminars/webinars • Quarterly newsletters	• Learning and development • Career Growth Opportunities • Rewards and recognition • Facilities and well-being • Health & Safety at workplace • Respecting Human Rights
Management	• Newsletters • Advertisement • Surveys • Seminars	• Brand Reputation
Regulatory bodies	• Official notifications • Press releases • Meeting with Govt. body as per requirement • Meetings with associations	• Ensuring environmental, social and economic compliance • Transparent and accurate disclosure

Our Stakeholder	Mode of Engagement	Expectation
Suppliers	• Regular vendor audits • Vendor meetings • Capacity buildings	• Payment cycle • Business opportunities • Capacity Building of suppliers on improvements in environment and social performance
Investors	• Annual General meeting • Grievance redressal through registrar • Periodic press release • Quarterly results discussion	• Improved profitability and earnings per share • Dividend payout • Transparent disclosure • Improvements in ESG disclosure
Local Communities	• Meetings with local community bodies • Need assessment studies	• Opportunities for education • Improvement in healthcare • Infrastructural development initiatives
Customers	• Grievance redressal mechanism • Feedback mechanism system • Service and product offerings through multiple channels – online and offline	• Affordable solutions • Transparent and accurate billing • Customer satisfaction

Engagement outcomes and discussions that take place with our stakeholders are shared within the organisation across all concerned departments and are considered valuable insights into our business. Stakeholder feedback is analysed and assessed to identify areas of critical importance for the company's operations and successful running of its business. Stakeholder's perceptions on important ESG topics are considered along with industry analysis and gap assessment with our peer companies to identify and prioritize key material topics that need to be addressed. Details of our materiality assessment exercise are provided in the next section.

Materiality Assessment

The principle of materiality refers to identifying and analysing an organization's significant economic, environmental, and social issues that substantively influence the decisions of stakeholders and are required to be addressed by the business.

Materiality assessment helps us evaluate the risks and opportunities of our business, and it helps us understand stakeholder expectations and consider their insights within our decision-making process when framing our strategies. We consider those topics as material to our business that can have an indirect or direct impact on our organization's value chain. We assign a great deal of importance to assessing the material topics to our business to help us improve our ESG performance through action plan formulation, target setting, and strategy development.

Materiality Assessment Process

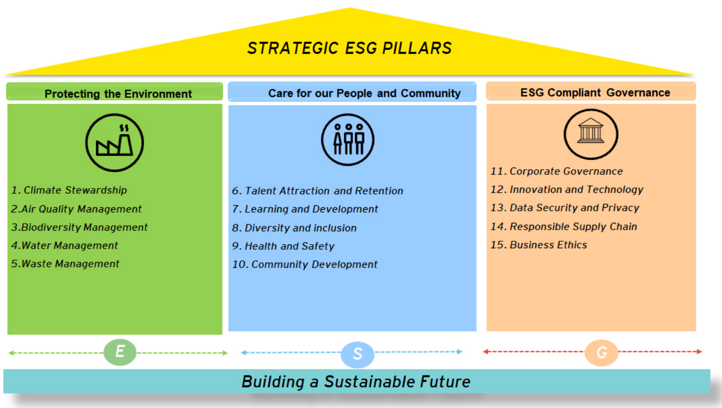
At HPL, a three-step approach is employed by us for undertaking the materiality assessment.

Step 1: Identification of Material topics	• Evaluated sector specific standards such as GRI and SASB and ratings indices like DJSI and MSCI to identifmaterial topics relevant to our business operations. • Evaluation of material topics of our peers both at a national and global level by conducting an in-depth gap assessment exercise, and developing an understanding of their business model, value chain, and risk management processes.
Step 2: Understanding the significance of material topics to the stakeholders	• Identified stakeholder groups in consultation with HPL. • Evaluation of stakeholder's perception with respect to material topics.
Step 3: Finalization of material topics with respect to importance to stakeholder and the business by management	• Analysis of the importance of a particular ESG aspect based on insights obtained through the stakeholder engagement. • Understanding the significance of a material topic to HPL's business based on corporate strategy, policies, risks, and opportunities identified. • Corporate level aggregation of material topics on the basis stakeholder engagement and discussion with company management. • Review of stakeholder responses and finalization of topics by management considering company's business strategy and sustainability objectives.

As a result of the materiality assessment, the material topics that are of significant consequence to the company and its operations as well as stakeholder interests are:

Category	Material Topic/Issue	Impact Boundary
Environment	1. Climate Stewardship	Within and outside the organization
	2. Air Quality Management	Within and outside the organization
	3. Water Management	Within and outside the organization
	4. Waste Management	Within and outside the organization
	5. Biodiversity Management	Within and outside the organization
Social	6. Talent Attraction and Retention	Within and outside the organization
	7. Learning and Development	Within the organization
	8. Diversity and Inclusion	Within the organization
	9. Health and Safety	Within the organization
	10. Community Development	Outside the organization
Governance	11. Corporate Governance	Within the organization
	12. Innovation and Technology	Within the organization
	13. Data Security and Privacy	Within the organization
	14. Responsible Supply Chain	Within and outside the organization
	15. Business Ethics	Within the organization

Our Strategic ESG pillars are depicted below:



Protecting the Environment

Contents of this Section

- Climate Stewardship
- Air Quality Management
- Biodiversity Management
- Water Management
- Waste Management

At HPL, we ensure judicious use of natural resources to sustain our growth. Our HSE Policy has been designed towards improving our environment performance on a continual basis. Environmental objectives are drawn from the Policy that conform with the requirements of ISO 14001, which goes beyond the limiting values prescribed under statutory acts and rules.

The HSE Head oversights implementation of the HSE policy and management systems and reports to the Plant Head on the compliance status and progress made in delivering our internal commitments. The Plant Head in turn discusses the environmental performance of the plant with the Board on a half yearly basis.

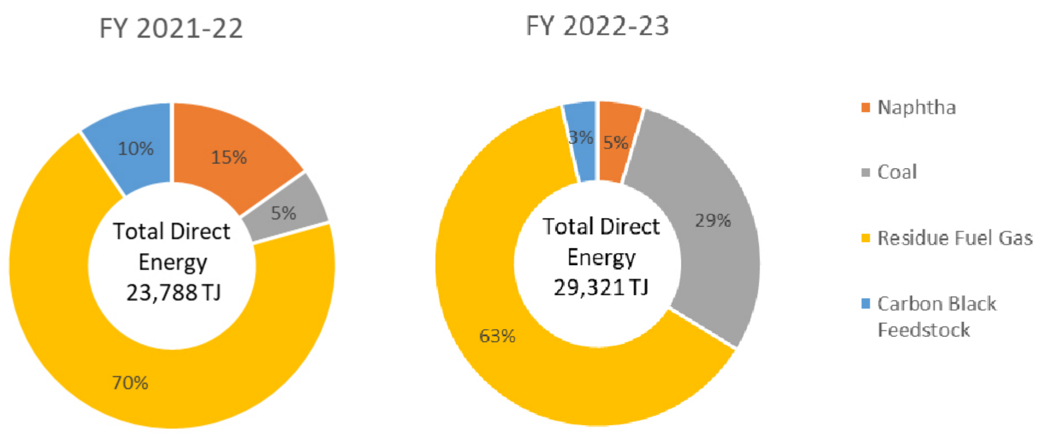
We take cognizance of our responsibilities and strive to implement some of the global best practices in reducing dependence on fossil fuel, optimizing water consumption and creating wealth from waste, the details of which are available in the upcoming sections in this chapter.

Climate Stewardship

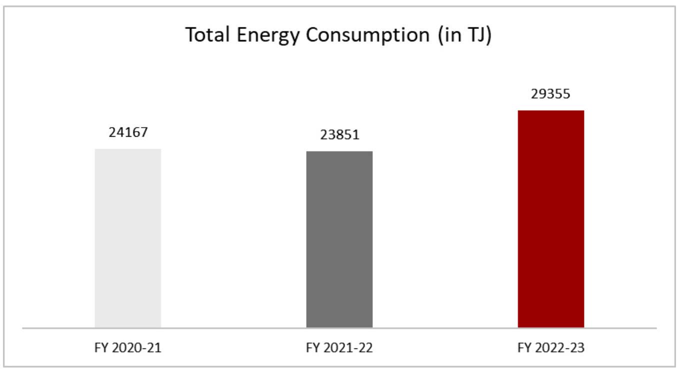
As climate change impacts intensify, cyclones and floods have become a common occurrence in several states in India. These unprecedented challenges pose a threat to the livelihoods of each individual and continuity of our business operations. The national target of achieving net zero by 2070 and reducing emission intensity by 45% by 2030 urgently calls for a collective effort of public and private sector bodies.

Our Energy Profile

At HPL, we currently dwell on fossil fuel sources for sustained energy in our operations. Our entire operations are reliant on self-generated power from three coal fired boilers, three residue fuel gas-based boilers and two gas turbines. The commissioning of the new coal based captive power plant in the preceding year has drastically brought down our liquid fuel consumption in the form of naphtha and carbon black.



In addition to the above mentioned we use diesel as part of auxiliary consumption. Further, we consume petrol and diesel for commute of owned vehicles and LPG for cooking purposes. Our total energy consumption over the last three years are as follows.



Adoption of low carbon measures

In our endeavour to be recognized as a climate steward, we are committed to reducing GHG emissions from our value chain and delivering solutions which support low carbon transition for the society at large.

At present, our strategy to combat climate change is largely built upon enhancing our operational efficiency through adoption of innovative technologies and identifying opportunities for renewable forms of energy. Some of these measures include:

- Modification of gas turbine to use residual fuel gas and minimise flaring.
- Maximization of waste heat recovery from steam generators of gas turbines
- Optimization of plant operating parameters through real time monitoring of temperature and pressure of the Naphtha Cracker Unit.
- Implementation of AI based technology, “Machine Doctor” which can be placed on any equipment to measure its operating parameters such as temperature,

vibrations, pressure. Whenever such an anomaly occurs, the operation is shut down

- Optimization of pump capacity
- Continuous optimisation of Pyrolysis Gasoline Hydrogenation Unit
- Continuous maintenance of key assets such as the heat exchanger and
- Reduction in steam consumption through installation of steam trap at the boiler
- Replacement of conventional lighting with LED lighting

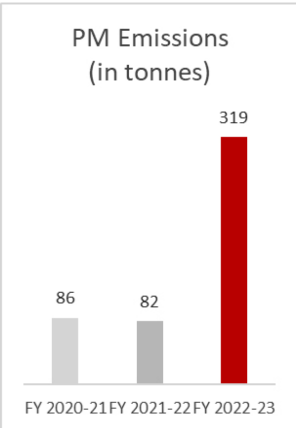
Our efforts towards mitigating climate change impacts also extend to the value chain. We have laid down a LPG transportation pipeline of 1.9 km length at the fag end of the financial year. This initiative will eliminate the associated emissions from the transportation of LPG through tankers.

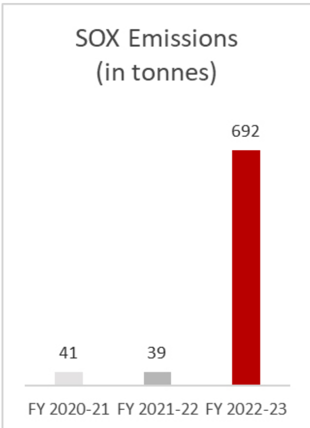
Low carbon and eco-friendly solutions for industrial application

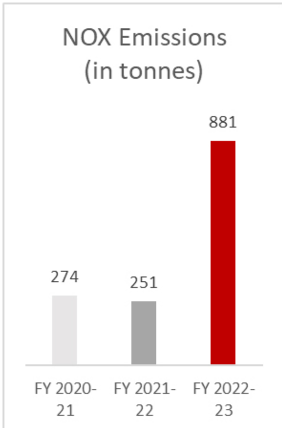
- C5 which was initially recycled to the Naptha Cracker Unit, is now being sold as a value-add product for pharmaceutical industries.
- Recorded highest ever cyclopentane production of 6.8 KTA. The product is an eco-friendly alternative to CFCs and HCFCs after Montreal protocol.
- Producing pygas with less than 1 ppm sulphur under Euro norms since 2019

Air Quality Management

We reckon with the consequences of air pollution due to our operations, hence we prioritize on preserving air quality in and around our plants. Nitrogen Oxides (NOx), Sulphur Oxides (SOx) and Suspended Particulate Matter (SPM) form the major components of our air pollutants which are continuously monitored through the Continuous Emission Monitoring Systems (CEMS) and maintained below the permissible limits. Our stack emissions for the last three years are given below.







To address the rising energy demand, associated with increase in production during the reporting period, we have installed a coal based Circulating Fluidized Bed Combustion (CFBC) Boiler, resulting in a significant increase in the air emissions.

We have embraced upon several technologies to reduce our emissions. These include application of

- Electrostatic precipitators for PM emission control
- Low NOX burners for reducing NOX emission
- Mixing limestone dust with coal for reducing SOX emissions

As a responsible corporate citizen, we also adhere to the threshold exposure limits for Vent & Work zone emissions such as benzene, butadiene and hexane at its premises. Through monthly monitoring under the Leak Detection and Repair (LDAR) procedures these emissions are kept below the permissible limits.

Further, the brine circulation network was modified to increase hexane circulation to higher elevation vent condensers to recover hexane from vent gases.

However, our efforts towards greenbelt development discussed in the following section is one of the most significant instruments that has helped us to address the growing impacts of climate change and cater to local air pollution concerns.

Biodiversity Management

Maintaining safeguards towards environmental compliance is essential for the conservation of habitats of diverse floral and faunal ecosystem. We believe that the extent of biodiversity influences the ability of the ecosystem to heal itself from environmental challenges such as climate change and replenish its natural resources.

Thus, at HPL we make concerted efforts to maintain and enhance biodiversity in the immediate proximity of our operations. Our prior Environmental Impact Assessments indicate that there are no ecologically sensitive areas nearby, ensuring no threat any floral and faunal species.

Greenbelt Development

One of India's historic five-point commitment or 'Panchamrit' at COP 27, highlights the need to create an additional carbon sink of 2.5 to 3 billion tonnes of CO2 equivalent through additional forest and tree cover by 2030. Aligned to this commitment, HPL has developed a green belt of 103 ha area and 50-100 m width surrounding the HPL Complex, comprising of 1.29 lakh trees till date. The three layers of trees planted as part of the greenbelt movement not only supports the restoration of natural habitats, but also protects the surrounding community from air pollutants.

To enhance the proportion of green cover at its establishment and in a bid to revive the greenbelt opportunities in the northern part of the plant, HPL has partnered with Haldia Municipality to initiate desilting of the greenbelt canal.

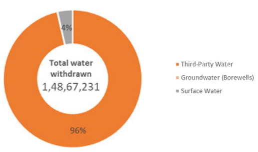
HPL's efforts have not only been a boon for the green belt movement but also played a significant role in our subsequent step to enhance water availability in the local community. Our efforts towards water conservation have been illustrated in the following section.

Water Management

As the climate change impacts become more prevalent, there is an increasing threat towards availability of water. Increase in the demand of water beyond availability can result in water stress. Despite Haldia region not currently facing any water shortage, we have recognized this as one of the climate risks going forward and have ensured our water stewardship by stringently monitoring water withdrawal and have put in place a plan for reducing our water consumption.

	FY 2020-21	FY 2021-22	FY 2022-23
Total water consump-tion (in KL)	1,15,95,718	1,25,62,482	1,42,46,886

Our water management strategies are focused at optimizing our water consumption, identifying alternative water sources and recycling wastewater.



Optimizing water consumption

We strive to improve upon our water use efficiency by adopting innovative technologies and identifying and eliminating the losses in our system to the extent possible. During the reporting period, we have continued to recover and reuse

- 8KL/hr of extruder gear cooling water in HDPE section
- 20 KL/hr of propylene compressor & pump seal cooling water in East Pond
- 215 KL/hr of HVAC cooling water at the CCR & Olefin Building in Fire Water Pond

Recycling wastewater

Total Wastewater Discharged (FY 2022-23) 20,38,628 KL

We recognize the impact wastewater can have on the environment if not discharged responsibly in adherence to the local laws of the state pollution control board. Untreated wastewater negatively impacts life under water. At HPL, we have implemented State-of-the-art Wastewater Treatment Plant (WWTP) that eliminated potential negative impacts through a series of physical, chemical, and biological treatment facilities that remove oil, suspended solids and biodegradable organics. The treated effluent is partly reused for landscaping and dust suppression purposes and the balance is discharged through the Greenbelt Canal (GBC).

Further the backwash water of Water Treatment Plant is recycled into the raw water reservoir and Condensate Recovery.

Identifying alternative water sources

Rainwater harvesting is an opportunity to collect, convey and store rainfall to address water shortage and future water stress. Rainwater channelized from the rooftop of buildings and control rooms and through the stormwater drains at the eastern side of the plant is collected at the existing East Ponds (2 Nos.) having capacity of 4,00,000 KL each, leading to reduction in water withdrawal from freshwater bodies.

Waste Management

At HPL, we have inculcated the 3R approach i.e., Reduce, Reuse and Recycle, which enables us to monitor and reduce waste generated within our operations. We have developed standard operating procedures (SOPs) to ensure smooth operations, handling, and transportation of waste. Waste is segregated at source as hazardous and non-hazardous waste. Hazardous waste including resins, lube oil, spent catalyst, used oil, waste oil, molecular sieves, coke oil, quench oil, ETP sludge along with non-hazardous wastes such as biomedical and e-waste are disposed through authorized vendors for further recycling, incineration or landfilling as applicable.

The solid non-hazardous scrap materials (e.g., metal scrap, wooden pallet, waste polymer powder/pellet, wastepaper, drum etc.) are segregated and stored in designated places in the Scrap Yard and subsequently sold to the external vendors.

Caring for our People and Community

Employees form one of the foundational pillars of our business and we remain cognizant of the impact of maintaining good employee relations has on our sustainable growth. It is our belief that a business can only thrive and flourish when its employees are satisfied with the management and policies that exist within the company to take care of their well-being, look after their benefits, and protect their rights and interests. We provide improved working conditions, improved standard of living, skill upgradation programs and offer an overall a holistic development plan for all our employees and workers to build a sustainable business that looks after our people.

Contents of this Section

- Diversity and Inclusion
- Talent Attraction and Retention
- Learning and Development
- Health and Safety
- Community Development

SDGs Impacted

Looking after our people also encompasses those who form a part of our external environment. To become a truly sustainable organisation we also need to look outside of our four walls of business premises. We understand the impact we can have to enhance the condition of our local communities, uplift and strengthen them and do our part as a responsible corporate citizen.

Diversity and Inclusion

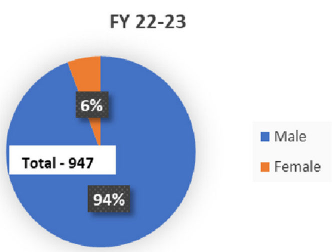
At HPL, diversity of people and culture are encouraged at all levels of the organisation as we continue to foster diversity and inclusion within our strategy. We ensure to provide the necessary support and infrastructure for people from diverse backgrounds to come together, speak freely of their concerns and actively participate in the decision-making process of the organisation. We are an equal opportunity provider and encourage people with the right skills and expertise to join our workforce irrespective of their caste, gender, religion, disability, etc. We ensure that our facilities are compliant with handling specific requirements of differently abled people and all our offices and plants aid in their easy accessibility and mobility. Equal opportunities are provided to all employees across the organisation as we have previously highlighted that we are a meritocracy-based organisation and do not engage in discrimination of any form based on personal biases. The company does not allow discrimination in pay based on gender at any level across the organisation for its employees/workers.

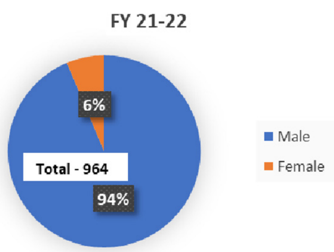
Our employee strength in the last two financial years is represented in the table below:

Employee Category	FY 22-23			FY 21-22		
	Male	Female	Total	Male	Female	Total
Permanent employees	531	35	566	551	39	590
Permanent workers	362	19	381	352	22	374
Other than permanent employees	10	0	10	18	0	18
Other than permanent workers-Plant	1,673	27	1,700	1,725	22	1,747
Other than permanent workers-Office	166	7	173	163	7	170
Total	2,742	88	2,830	2,809	90	2,899

Our employee gender diversity for both permanent employees and permanent workers in the last two financial years is shown below:

In the last two financial years, % of male in our permanent workforce is 94% compared to 6% female across the organisation. To improve the diversity within our organisation, we have taken certain initiatives to promote women participation within the organisation.





We are identifying more areas within the organisation specifically for women to provide more opportunities.

We have made provisions for women workers to work as a part of the B shift whereas previously they could only work in the A shift.

Special training programs are being organised which include specific skill develoment trainings, and leadership quality development trainings for our women employees enable them to reach leadership positions within the organisation

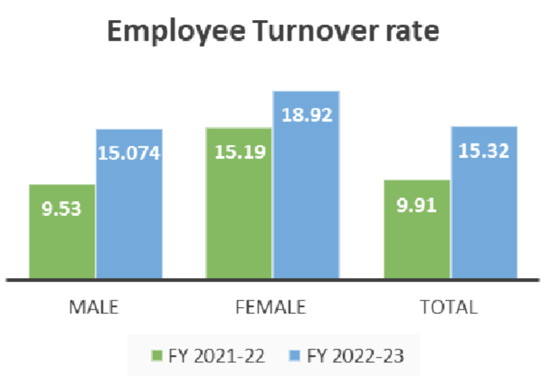
Talent Attraction and Retention

We understand the importance of creating and maintaining a diverse and resilient talent pool which is distinctive in nature and competitive in the industry. At HPL, we emphasise on assigning employees to different roles and functions after careful evaluation of their skills to understand where they would be the right fit. We continue to emphasize on providing a conducive work environment which will not only ensure efficient functioning of our business but will also lead to greater customer satisfaction and profitability.

Our employee turnover details are given below:

New Employees Hired (in Nos.)		
Year	FY 2021-22	FY 2022-23
Male	75	76
Female	8	5
Total	83	81

Employee Turnover Rate (%)		
Year	FY 2021-22	FY 2022-23
Male	9.53	15.074
Female	15.19	18.92
Total	9.91	15.32



At a company level, HPL ensures that no bias or discrimination of any form exists based on caste, religion, gender, disability, race, colour, ancestry, etc. We identify ourselves as a meritocracy-based organisation and hire new employees strictly based on their merit, skills, competency and suitability to a particular role within the company.

We utilize SAP Success Factors On-Boarding and Off-Boarding module which ensures more systemic tracking of employee life cycle within the organization starting from on-boarding till separation.

Performance Management

We have established a Competency Framework and Performance Management System to review and evaluate the employee performance. This works in tandem with our Career Development and Succession Planning Module which lays down the procedures for our succession planning program where critical resources are identified as future leaders and required training and mentoring is provided to them as well as equipping them with the necessary tools to progress to the next stage of their career within the company.

There is an elaborate process associated with our employee development program whereby all employees joining the organisation are required to fill their Key Result Areas (KRA) in consultation with their line managers. These KRAs are reviewed every six months and are cascaded from the organisation's Annual KPIs and broad objectives at the beginning of the financial year. An annual appraisal period is there. During this period their performance evaluation takes place and observations made are communicated to the employees in question who are being appraised. At the end of this period, they are assigned a performance evaluation score.

We have ensured 100% performance evaluation for all our employees eligible for the same in the past two financial years. We ensure that all employees are provided unique career opportunities and an environment for their comprehensive development as we aim to create leaders within our organisation who can help us take forward our sustainability journey to the next level.

Employee Satisfaction

At HPL, we have a target of becoming a Great Place to Work (GPTW) certified organisation and all our initiatives and processes are in line with this vision from an employee satisfaction perspective. Our intrinsic belief is that for every business to be truly successful, employee satisfaction is crucial. We believe in recognizing their efforts and rewarding those who demonstrate excellent Leadership skill and commitment. In order to ensure a formal redressal of any concern our employees might be having, we have established Employee Grievance Redressal system, through which employees can lodge their grievances to their respective line managers or supervisors and that is escalated to business process heads for timely intervention and redressal. We have also implemented 'internal customer' concept within the organization which ensures a formal feedback mechanism between different departments.

Internal Customer Satisfaction Survey

At HPL to improve employee satisfaction and efficiency, we have designed an interdepartmental satisfaction survey within our organisation. This survey was conducted from September 2022 to November 2022, wherein over 40 internal departments were covered. In consultation with each department, certain pain points were identified, and accordingly survey questionnaire was developed. Based on the results of the survey, and feedback received from all departments, a detailed report was framed and submitted to each department, which consisted of feedback on how best to improve their functioning and processes that would enable them to be more efficient and satisfy other internal departments that they collaborated with. As part of the next step in this exercise, HPL intends to have focused internal discussions with each of these departments at their discretion and take measures and frame guidelines for their overall improvement based on the feedback received

Learning and Development

Employee development helps the organisation grow collectively as its talent pool gains new skills and knowledge to become a more efficient workforce. Training and development programs are crafted with the objective in mind to enhance the professional capacities of our employees and a wide range of training programs are provided to our employees for their overall holistic development.

Need assessment is conducted by HPL to understand the areas in which training are required to be provided. Our Performance Management System, itself plays an integral role in this regard as employee training needs are identified through this process and helps in developing annual training program for our employees. The different areas in which these training programs are provided include induction programs, behavioural training, and technical and skill-based training.

A training calendar is maintained following which all annual training are imparted. Certain training programs are mandatory in nature and are conducted every year on a timely basis such as ethics training, prevention of sexual harassment training, etc. All employees within the organisation are required to attend certain amount of training hours throughout the year, which is more emphasised in case of safety training. Successfully meeting these training hours targets is mandatory for employees.

Training data for executives are maintained in the SAP Success Factors database and for workers, training data is maintained manually in registers. Our employee training data is presented below:

Types of training provided				
Training type	Number of trainees		Hours of training	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Health and safety (Employees)	5,254	3,352	10,509	6,705
Health and safety (Contractors)	6,373	11,813	25,495	47,255
Behavioural & Technical (Employees)	293	1,749	1,136	152
Total	11,920	16,914	37,140	54,112

The different categories of training conducted for our contractors as well as our employees over the last two financial years along with the total hours of trainings attended within that time period is represented in the table above.

Induction Training

All new hires entering the organisation must go through mandatory induction training. The first such training is held at our corporate office in Kolkata and the second training is conducted at our manufacturing plant in Haldia where detailed training in all relevant aspects of the job is imparted. The corporate office induction program lasts for five days and the aim here is to get all new employees to interact with the different departments within the organisation and develop a holistic understanding of the processes involved. The plant level training program includes mandatory safety training and is quite comprehensive spanning over 15 days.

Technical Training

Once new employees have completed their mandatory induction training, they are assigned to their respective departments based on their job role. During probation period, employees undergo detailed on-the-job training for skills development pertaining to their role and requirement. Post completion of probation, employees are industry ready and equipped with the necessary tools to handle all requirements specific to their role within the organisation.

Behavioural Training

We assign a great deal of importance to behavioural training for the development of our employees as we believe that simply having the necessary skills doesn’t make a person capable of handling the roles and functions of their job efficiently. The right mental fortitude, collaboration skills, leadership skills and the capability to work as a team player is extremely important as well for their holistic development.

Behavioural training programs are conducted based on suggestions from respective employees' line managers and the data captured within our performance evaluation system.

We also conduct SWOT analysis of our employees to understand areas where improvement or skill upgradation is needed. We have a dedicated development centre which enables these assessments. External trainers are brought into the organisation to impart dedicated training for selected individuals for their development which would enable them to take up positions of leadership in the future. The company engages with various training centres and educational institutions for the purpose of providing these case specific, situational training to its selected employees. For FY 22-23, 30 participants have been provided these dedicated trainings and 50 employees have been identified for the next financial year to receive such training.

Health and Safety

At HPL, we strongly believe that every accident is avoidable, and hence our continuous endeavour is to provide highest standard of safety for all our people and ensure an accident-free workplace. We have a dedicated HSE policy which guides us in implementing appropriate health & safety procedures throughout the organization. It is our belief that a robust health and safety management system should constantly address for new risks and hazards at the workplace. We ensure that no stone remains unturned when it comes to the safety of our employees. We take health and safety at our company premises very seriously and all our sites are ISO 45000:2018 (Occupational Health & Safety Management System) certified.

Some of the major responsibilities of HPL's health and safety team are as follows:

Safety Training

Safety training at HPL is mandatory for all employees and workers (including contractual employees). Safety training needs to be completed for any worker or employee to be issued a gate pass at our site. Training records are maintained for workers through attendance sheet to ensure everyone partakes in safety trainings. Refresher trainings are also conducted on a mandatory basis for our permanent and contractual employees on a periodic basis. We also hire external experts from time to time for conducting process safety training programs.

Maintenance Operations

The safety team remains on standby during high-risk maintenance operations to provide safety support to individuals conducting maintenance operations. A Job Safety Analysis (JSA) is also conducted by the safety team breaking down the activities to be performed and the involved risks associated with each job. A well-structured work permit system is in place to ensure appropriate safety measures are deployed during high-risk maintenance works.

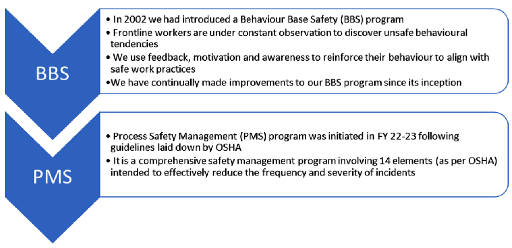
Safety Governance

A board level and a plant level health & safety meeting is held on a quarterly basis. Health & safety meetings are also held at the level of different manufacturing unit (HDPE, LLDP plant etc) on a periodic basis. KPIs on health & safety are monitored for both contractual and permanent employees. The central safety committee comprises of 50-50 representation of workers and management and acts as a forum of workers to raise their concerns. The HR and the safety team conduct a joint meeting for contractual workers related to compliance, near misses, etc. HPL has a 3-tier health and safety audit system in place. It involves a plant level audit for each individual plant; internal cross functional audit; and third party safety audit.

Safety Communications

The health and safety team ensures safety is followed at company premises by engaging employees and workers in safety related activities which may be fun in nature but promotes an in-depth learning environment. Safety quizzes, competitions, and safety awareness campaigns are held promoting on-site safety initiatives along with rewards and recognition. Periodic internal mailers and communications are sent out for activities such as internal and external trainings, mock drills, etc. We also publish a safety journal on an annual basis capturing the highlights of our safety initiatives and performance, which is circulated to all employees within the organisation.

Other Safety Initiatives



Community Development

At HPL, we are committed to protecting the rights and interests of all our stakeholders and we focus on inclusive growth of our organisation with all stakeholders involved. We look beyond our operational boundaries and take responsibility for the growth and upliftment of our local communities. We assess the direct and indirect impact of our operations on the livelihood of the people belonging to communities in proximity of our area of operations and accordingly formulate our developmental initiatives.

We have a dedicated CSR policy which emphasises on Social Welfare, Rural Development, Sustainable Livelihood, Health Care and Education. We have established Corporate Social Responsibility (CSR) committee which has been constituted in line with the provisions of Section 135 of the Companies Act (2013). The primary duty of the committee is to monitor and assess the CSR activities of our company in line with our CSR policy, allocate budget for our CSR projects and approve and formulate projects to be undertaken. Our employees also actively participate in the implementation of CSR projects on a need basis.

CSR Focus Areas

Our CSR intervention areas can be broadly classified into three major theme areas and we identify each beneficiary of our projects, and the amount of the beneficiaries who belong to marginalised groups as well. The details of our projects and their beneficiaries are given below:

Health Care		
Name of CSR Project (FY 2022-23)	**No. of persons benefitted from CSR Projects**	**% of beneficiaries from vulnerable and marginalised groups**
Construction of a Rural Healthcare Centre for Dwariberia Progressive Medical Practitioners' Welfare Association, Purba Medinipur	1,800	19.72
Contribution of Hospital Beds & Equipments , Hydraulic OT Table to Haldia Sub Divisional Hospital , Purba Medinipur	3,600	60.00
Contribution of Blood Analyzing & Blood Storage Equipment for Thalassemia Treatment to Haldia Ramkrishna Seba Sadan, Purba Medinipur	220	30.00

Education		
Name of CSR Project (FY 2022-23)	**No. of persons benefitted from CSR Projects**	**% of beneficiaries from vulnerable and marginalised groups**
Setting up a Computer Training Centre for needy meritorious students at Halida for Bhuniyakhali Gram Bikash Kendra, Purba Medinipur	250	32.00
Construction of a Classroom to conduct Extra Curricular Activities and Educational Seminars for Haldia Punarbasan Vidyaniketan, Purba Medinipur	895	68.49
Contribution towards Higher Education & Research Project under the Food Technology & Science Institute (FTSI) vertical at TCG Centres for Research and Education in Science & Technology (TCG CREST), Kolkata	16	0.00

Education		
Name of CSR Project (FY 2022-23)	**No. of persons benefitted from CSR Projects**	**% of beneficiaries from vulnerable and marginalised groups**
Higher Education & Research Project on Design and Development of Automated Gear Box for Electric Vehicles at IIT Kharagpur , Kharagpur, Paschim Midnapore	36	0.00

Rural Development		
Name of CSR Project (FY 2022-23)	**No. of persons benefitted from CSR Projects**	**% of beneficiaries from vulnerable and marginalised groups**
Repair of Walls and Full Replacement of Tiled & Wooden Roof with Concrete Slab at Doro Sovarampur Maktab Primary School, Purba Medinipur	161	49.69
Upgradation of Physics , Chemistry and Biology Laboratories at Manoharpur High School, Purba Medinipur	890	31.46
Upgradation of Physics, Chemistry and Biology Laboratories at Hatiberia Arun Chandra High School, Purba Medinipur	1,160	22.76
Repairs , Renovation and Completion of a two storied Free Student Hostel accomodating needy students for Bipanna Bandhu, Purba Medinipur	26	30.77
Contribution of School Furniture and Electrical Fittings to Debhog Purba Primary School, Purba Medinipur	80	37.50
Contribution of Furniture , Electrical Equipment, Water Purifier , Computers, Printer, for Orphanage, School, Educational and Health Programmes of Deulpota Seva Samity, Purba Medinipur	3,550	27.04

Ensuring ESG compliant Governance

HPL has always looked upon responsible governance as a key driver in achieving long term sustainable value for stakeholders. Responsible governance enables us to effectively manage economic, environmental, and social risks impacting our business by maintaining transparency, accountability and independence in dealing with our stakeholders.

Cross Functional Committees have been set up by the Company which provide oversight on the management of economic, environmental, and social risks. Further the minutes of the meeting of these committees are briefed to the Board to keep them informed and take their feedback.

Our governance practices not only focus on robust compliance management but also on adopting best practices. We have established systems, processes, procedures, and policies to ensure that our Board of Directors are well informed and well equipped to discharge overall responsibilities and provide management with the strategic direction catering to exigency of long-term stakeholder value. These are as follows.

Corporate Governance Report

Good Corporate Governance is the hallmark of every global organisation that enthrals shareholders, stakeholders and the likes combined with multi-disciplinary practices, efficient business functions, codes of ethics and legal compliance. An organisation's strengths grow from pillar to pillar owing to effective control and management ultimately leading to sustainable increased value and growth. Corporate governance plays a very imperative role in assisting the differentiation between a good organisation and an extraordinary organisation because legal compliance is mandatory and stipulated whereas sound corporate governance is rare skillset.

In line with this philosophy, your Company emphasises on superior transparency and accountability in all its dealings to protect stakeholder interests and strives for excellence through adoption of best governance, timely disclosure practices and compliance with various Corporate Governance Codes.

The Company is fully complied with the Corporate Governance requirements and the Board considers itself as the custodian of trust and acknowledges its responsibilities towards stakeholders for wealth creation, sustainably and responsibly.

The Company's Non-Convertible Debentures (NCDs), issued on private placement basis, are listed on BSE Limited (BSE) w.e.f. 5th July, 2022.

Board of Directors

Composition:

The Board of Directors along with its Committees provides leadership and guidance to the Company's management and supervises the Company's performance. As on 31st March, 2023, the Board comprised of 6 (Six) Directors with an optimal combination of Executive, Non-Executive and Independent Directors, including Women Director. 2 (Two) Directors are Non-Executive Director being the Chairman & Vice Chairman, 1 (One) Director is Whole-time Director & Chief Executive Officer (CEO) and 3 (Three) Directors are Independent Directors involving 1 (One) Independent Women Director.

The Composition of the Board of Directors as on 31st March, 2023 is in conformity with the provisions of Section 149 of the Companies Act, 2013 (Act) and Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations). The details of the Board of Directors as on 31st March, 2023 are as under:

Sl. No.	Directors	DIN	Category
1	Dr. Purnendu Chatterjee	00415297	Non-Executive (Promoter) (Chairman)
2	Mr. Subhasendu Chatterjee	00153459	Non-Executive (Promoter) (Vice Chairman)
3	Mr. Navanit Narayan	08280314	Executive (Whole-time Director & CEO)
4	Ms. Shanta Ghosh	01560559	Independent
5	Mr. Rudra Chatterjee	01504650	Independent
6	Mr. Arun Balakrishnan	00130241	Independent

Except Dr. Purnendu Chatterjee and Mr. Subhasendu Chatterjee (being brothers), no Director of the Company is related to any other Director on the Board.

None of the Directors or Key Managerial Personnel (KMPs) hold any equity shares in the Company.

Brief profile of the Directors:

Dr. Purnendu Chatterjee, Chairman

Dr. Chatterjee was appointed as our Chairman in March, 2016. Dr. Chatterjee holds a B. Tech from the Indian Institute of Technology (IIT), Kharagpur and holds Masters and Doctorate degrees in Operations Research from the University of California, Berkeley. Dr. Chatterjee was a research associate at the Stanford Research Institute. Dr. Chatterjee is a founding member of the Indian School of Business and Advanced VLSI Design Laboratory at IIT, Kharagpur.

Dr. Chatterjee's background combines expertise in technology, management consulting and international investing. Dr. Chatterjee has investments in real estate, aviation, and financial services with the U.S. and India being his major areas of focus. Dr. Chatterjee has more than 35 years of experience in the petrochemical industry.

Mr. Subhasendu Chatterjee, Vice Chairman

Mr. Chatterjee holds a Bachelor's degree in Chemical Engineering from Jadavpur University and a post-graduate degree in Chemical Engineering from IIT.

Mr. Chatterjee has more than 40 years of experience in the fertilizer and chemicals industry covering design, engineering, commissioning, technical services and project management with leading consultancy and operating plants in India and abroad.

Mr. Navanit Narayan, Whole-time Director & CEO

Mr. Narayan is a Bachelor of Science in Mechanical Engineering from Birla Institute of Technology, Mesra, Master of Science in Industrial Engineering & Management Sciences from Northwestern University, Illinois and a Postgraduate in Business Management & Marketing from XLRI, Jamshedpur.

Mr. Narayan was the Non-Executive Director / Group Chief Executive Officer of Lyca Group, UK / Lycamobile UK Ltd, wherein he, inter alia, managed a diverse global business across 25 countries including in Europe, US, Australia, Africa, and Asia with mobile operations in 23 countries with a team of 650+.

Mr. Narayan has more than three decades of leadership and technology delivery experience across Global operations, Business Management, Operations, Strategy and Business Development etc. Mr. Narayan has been associated, in various capacities, with leading corporates like Vodafone Idea Limited, Nokia, Wipro BPO, Tata Steel Limited etc.

Ms. Shanta Ghosh, Independent Director

Ms. Ghosh holds a Bachelor's degree in Architecture from Jadavpur University and a Master's degree in Architecture specializing in Urban Design from the University of Pennsylvania, USA.

Ms. Ghosh began her career in 1979 with The Kuljian Corporation in Philadelphia, USA and in 1989, Ms. Ghosh assumed additional responsibilities as a board member of Kuljian's affiliate entity outside of the USA, the Development Consultants Pvt. Ltd. (DCPL), at the Company's offices throughout India and at its international headquarters in Hong Kong. In April, 2008, Ms. Ghosh was appointed the Chairperson of Development Consultants (DC) Group.

Mr. Rudra Chatterjee, Independent Director

Mr. Chatterjee graduated with a Bachelor's degree in Economics from St. Xavier's College, Kolkata and completed his MBA in Finance and Economics from Columbia Business School, New York. Mr. Chatterjee was an associate with Booz Allen Hamilton, New York.

Mr. Chatterjee is currently the chairman of OBEETEE Private Limited, a company which manufactures and exports handmade carpets and also the Whole-time Director of Luxmi Tea Co. Private Limited, a tea production company with estates in Assam, North Bengal and Tripura.

Mr. Arun Balakrishnan, Independent Director

Mr. Arun Balakrishnan was the Chairman & Managing Director of Hindustan Petroleum Corporation Ltd (HPCL) from 2007 to 2010 and amongst other key positions held, was the Director Planning – Oil Coordination Committee, Ministry of Petroleum & Natural Gas, Founder Chairman of HPCL-Mittal Energy Ltd. (HMEL) and former Chairman, Scientific Advisory Committee, Ministry of Petroleum & Natural Gas, Govt. of India, etc.

Mr. Balakrishnan holds a Bachelor's Degree in Chemical Engineering and Post Graduate Diploma in Management (Indian Institute of Management, Bangalore). Mr. Balakrishnan has expertise in the fields of Project Planning & Implementation, Finance, Human Resources, Science & Technology, Corporate Governance etc. and was awarded "The Distinguished Alumnus Award 2008" from the Indian Institute of Management, Bangalore and "Personal Excellence Award 2009" for Excellence in Leadership, Emotional Intelligence Institute, Texas A&M University, Kingsville, USA, amongst many other accolades and awards.

Meetings:

5 (Five) Board Meetings were held during the Financial Year 2022-23 on 4th May, 2022, 8th August, 2022, 5th September, 2022, 11th November, 2022 and 13th February, 2023. The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred Twenty) days.

Further, during the Financial Year 2022-23, few Circular Resolutions were also approved by the Board of Directors of the Company.

Attendance of each Director at Board meetings held during the Financial Year 2022-23 and at the last Annual General Meeting (AGM)

Sl. No.	Directors	No. of Board meetings during the tenure of the Director		Attendance at the last AGM held on 28th September, 2022
		Held	Attended	
1	Dr. Purnendu Chatterjee	5	5	No
2	Mr. Subhasendu Chatterjee	5	4	Yes
3	Mr. Navanit Narayan*	2	2	NA
4	Ms. Shanta Ghosh	5	4	Yes
5	Mr. Rudra Chatterjee	5	5	No
6	Mr. Arun Balakrishnan	5	5	No

* Appointed w.e.f. 1st November, 2022

Change in Board composition

Details of changes in the Board composition during the year under review and until the date of this Report, are as under:

Sl. No.	Directors	Nature of change	Effective date of change
1.	Ms. Vanadana Yadav	Vacation of office u/s 167 of the Act	18th July, 2022
2.	Mr. Ujjal Kumar Das	Expiry of tenure as Nominee Director	6th September, 2022
3.	Ms. Sreoshi Moitra	Resigned as a Non-Executive Director due to pre-occupancy	8th September, 2022
4.	Mr. Navanit Narayan	Appointed as Additional Director (Category: Executive) and Whole-time Director & Chief Executive Officer	1st November, 2022
5.	Mr. Subhasendu Chatterjee	Change in designation to Vice Chairman (Category: Non-Executive)	1st November, 2022
6.	Mr. Vijay K Chaudhry	Resigned as a Non-Executive Director due to pre-occupancy	13th February, 2023
7.	Mr. Partha Sarathi Bhattacharyya		
8.	Prof. Sabyasachi Bhattacharya		

None of the Independent Directors have resigned from the Directorship of the Company before the expiry of their term of appointment / re-appointment during the Financial Year ended 31st March, 2023.

Number of other Companies or Committees in which the Director is a Director or Member / Chairman

The following table gives the number of outside directorships and the Committee positions held by each of the Directors as on 31st March, 2023:

Sl. No.	Directors	No. of Directorship in other Companies (other than Haldia Petrochemicals Limited)		No. of Committee positions held in Indian Public Limited Companies (other than Haldia Petrochemicals Limited)**	
		Indian Public Limited Companies	Others*	Chairman	Member
1	Dr. Purnendu Chatterjee	-	2	-	-
2	Mr. Subhasendu Chatterjee	5	14	-	-
3	Mr. Navanit Narayan	-	-	-	-
4	Ms. Shanta Ghosh	1	7	-	-
5	Mr. Rudra Chatterjee	6	7	-	-
6	Mr. Arun Balakrishnan	3	1	1	2

* Does not include Directorships in foreign entities, companies under Section 8 of the Companies Act, 2013, Directorship / Membership of Managing Committees of various Chambers / Institutions / Universities and proprietorship of firms.

**Includes only Audit Committee and Stakeholders Relationship Committee of Indian public limited companies, whether listed or not.

None of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian public limited Companies in which he / she is a Director.

The Directors of the Company are also directors in various other Listed entities as under:

Sl. No.	Directors	Names of the Indian Listed entities (equity) where the Director is a director*	Category of directorship
1	Dr. Purnendu Chatterjee	-	-
2	Mr. Subhasendu Chatterjee	-	-
3	Mr. Navanit Narayan	-	-
4	Ms. Shanta Ghosh	-	-
5	Mr. Rudra Chatterjee	-	-
6	Mr. Arun Balakrishnan	Linde India Limited	Independent

*Listed entities have been identified from confirmations / declarations received from respective Directors and Corporate Identification Number (CIN) as available on the Ministry of Corporate Affairs (MCA) website for companies and exclude directorship(s) in foreign listed entities. Further, listed entities include only those entities whose equity shares are listed on a stock exchange as per Regulation 17A of Listing Regulations.

The Independent Directors of the Company do not serve in more than 7 listed companies and none of them are whole-time directors in any other listed Company, so the limit prescribed under Regulation 17A of the Listing Regulations is not applicable.

Familiarization programmes imparted to Independent Directors

Senior management personnel of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, etc., and seek their opinions and suggestions on the same. In addition, the Directors are briefed on their specific responsibilities and duties that may arise from time to time.

The Statutory Auditors and Senior Management of the Company make presentations to the Board of Directors with regard to regulatory changes from time to time while approving the Financial Results.

The details of familiarization programme attended by Independent Directors is available on the website at www.haldiapetrochemicals.com

Core Skills / Expertise / Competencies available with the Board of Directors of the Company

In pursuance of Para C(2)(h) of Schedule V to the Listing Regulations, the Board of Directors of the Company has identified the following core skills / expertise / competencies that are desirable for the Company to function effectively in the context of the business of the Company and its sector and these core skills / expertise / competencies are available with the Board:

Skills/ Expertise/ Competencies	Details
Behavioural	Fulfilling a director's duties and responsibilities, putting the organisation's interests before personal interests, acting ethically, active contributor, collaborative, performance oriented and professional.
Financial	Qualifications and / or experience in accounting and / or finance and the ability to analyse key financial statements, proficiency in complex financial management, capital allocation, and financial reporting processes etc.
Diversity	Understanding the needs and viewpoints of the Company's customers, partners, employees, governments, and other stakeholders worldwide.
Industry	Experience in the sector in which the Company operates. Experience in driving business success in markets around the world with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities.
Technology	Significant background in technology resulting in knowledge of how to anticipate technological trends, generate disruptive innovation, and extend or create new business models.
Strategic Expertise	Ability to understand, critically assess and review business strategies including acquisitions and other business combinations.
Board service and governance	Service on a public company board to develop insights about maintaining board and management accountability, protecting stakeholders interests and observing appropriate governance practices.

The Board of the Company comprises of qualified members who possess the required skills, expertise and competencies that allow them to make effective contributions. While all the Board members possess the skills identified, their area of core expertise is given below:

Name of Director	Skills/Expertise/Competencies						
	Behavioral	Financial	Diversity	Industry	Technology	Strategic Expertise	Board service and governance
Dr. Purnendu Chatterjee	√	√	√	√	√	√	√
Mr. Subhasendu Chatterjee	√	√	√	√	√	√	√
Mr. Navanit Narayan	√	√	√	√	√	√	√
Ms. Shanta Ghosh	√	√	√	√	√	√	√
Mr. Rudra Chatterjee	√	√	√	√	√	√	√
Mr. Arun Balakrishnan	√	√	√	√	√	√	√

Confirmation from the Board

All Directors have confirmed that they are free from any disqualification mentioned under Section 164 and / or any other provisions of the Act. All the Independent Directors of the Company have given their respective declaration / disclosures under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfill the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the Listing Regulations. In the opinion of the Board, the Independent Directors of the Company fulfill the conditions specified under the Listing Regulations and are independent of the management.

Board Committees

- Audit Committee

a. Brief description of terms of reference:

The terms of reference of the Audit Committee cover all the areas mentioned under Section 177 of the Act and Regulation 18 read together with Part C of Schedule II of the Listing Regulations. The broad terms of reference of the Audit Committee therefore, inter alia, include, review of financial reporting process and all financial results, statements and disclosures and recommend the same to the Board, review the internal audit reports and discuss the same with the Internal Auditors, review internal control systems and procedures, evaluation of internal financial controls and risk management systems and their effectiveness, to meet the Statutory Auditors and discuss their findings, their scope of audit, post audit discussion, auditor's independence, adequacy of internal audit functions, audit qualifications, if any, appointment / removal and remuneration of auditors, changes in accounting policies and practices, if any, reviewing approval and disclosure of all related party transactions, reviewing with the management the performance of the Statutory and Internal Auditors and their remuneration in compliance with the Act, the Listing Regulations, and other legal requirements and compliances, reviewing ongoing litigations and their impact on the Company and compliance with the statutory requirements.

b. Constitution, Composition and Attendance:

The Board of Directors of the Company has a qualified and independent Audit Committee that acts as a link between the Management, the Statutory Auditors, Internal Auditors and the Board.

As on 31st March, 2023, the Audit Committee consists of 4 (Four) members, namely, Ms. Shanta Ghosh, Independent Director, Mr. Rudra Chatterjee, Independent Director and Mr. Arun Balakrishnan, Independent Director and Mr. Subhasendu Chatterjee, Vice Chairman. Ms. Shanta Ghosh acts as the Chairperson of the Audit Committee.

During the Financial Year ended on 31st March, 2023, 5 (Five) meetings of the Audit Committee were held on 4th May, 2022, 5th August, 2022, 5th September, 2022, 10th November, 2022 and 13th February, 2023.

The composition and attendance of the Members of the Audit Committee are as follows:

Sl. No.	Name of the Director	Position	Category	No. of Meetings	
				Held	Attended
1	Ms. Shanta Ghosh	Chairperson	Independent	5	4
2	Mr. Subhasendu Chatterjee	Member	Vice Chairman (Non-Executive)	5	4
3	Mr. Rudra Chatterjee	Member	Independent	5	5
4	Mr. Arun Balakrishnan	Member	Independent	5	4

* Mr. Partha Sarathi Bhattacharyya resigned as Director of the Company w.e.f. 13th February, 2023 and also ceased to be a member of the Committee.

The Whole-time Director & CEO, Chief Financial Officer, Statutory Auditors and Internal Auditors attend the Audit Committee meetings on invitation and the Company Secretary acts as the Secretary of the Committee.

- Nomination & Remuneration Committee

a. Brief description of terms of reference:

The terms of reference of the Nomination & Remuneration Committee cover all the areas mentioned under Section 178 of the Act and Regulation 19 read together with Part D of Schedule II of the Listing Regulations. The broad terms of reference of the Nomination & Remuneration Committee, inter alia, include, recommending and reviewing the policy relating to remuneration, formulating the criteria and identify persons who may be appointed as Directors or Senior Management of the Company, preliminary evaluation of every Director's performance and any other matters which the Board of Directors may direct from time to time.

b. Constitution, Composition and Attendance:

The Board of Directors of the Company has a qualified and independent Nomination and Remuneration Committee as per the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations.

As on 31st March, 2023, the Nomination and Remuneration Committee consists of 3 (Three) members, namely, Ms. Shanta Ghosh, Independent Director, Mr. Rudra Chatterjee, Independent Director and Dr. Purnendu Chatterjee, Chairman. Ms. Shanta Ghosh acts as the Chairperson of the Nomination and Remuneration Committee. The Company Secretary acts as the Secretary of the Committee.

During the Financial Year ended on 31st March, 2023, 1 (One) meeting of the Nomination and Remuneration Committee was held on 5th September, 2022.

The composition and attendance of the Members of the Nomination and Remuneration Committee are as follows:

Sl. No.	Name of the Director	Position	Category	No. of Meetings	
				Held	Attended
1	Ms. Shanta Ghosh	Chairperson	Independent	1	1
2	Dr. Purnendu Chatterjee	Member	Chairman (Non-Executive)	1	1
3	Mr. Rudra Chatterjee	Member	Independent	1	1

* Mr. Subhasendu Chatterjee ceased to be a Member of the Nomination and Remuneration Committee w.e.f. 13th February, 2023.

c. Performance Evaluation of Directors:

Pursuant to Section 178 of the Act and the Listing Regulations, the Board of Directors has carried out an annual evaluation of its performance, its Committees, Independent Directors, Non-Executive Directors, Executive Director and the Chairman of the Board. The Nomination and Remuneration Committee of the Board has laid down the manner in which formal annual evaluation of the performance of the Board, its Committees and Individual Directors has to be made. It includes circulation of evaluation forms separately for evaluation of the Board and its Committees, Independent Directors / Non-Executive Directors / Executive Director and the Chairman of your Company.

The performance evaluation of the Board, its Chairman and the Non-Independent Directors were carried out by the Independent Directors at their separate meeting held on 8th February, 2023 and as intimated, were found satisfactory and there was transparent information flow from the management.

d. Remuneration Policy:

The Remuneration Policy of the Company and the Terms and Conditions of appointment of Independent Directors are available on the website of the Company at www.haldiapetrochemicals.com

- Stakeholders' Relationship Committee

a. Brief description of terms of reference:

The Company has a Stakeholders' Relationship Committee in accordance with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations . The Committee considers and resolves grievances of the security holders of the Company, inter alia, grievances in relation to securities, non-receipt of the annual report, interest, etc., and oversees all matters stipulated in Part of D of Schedule II to the Listing Regulations.

b. Constitution, Composition and Attendance:

As on 31st March, 2023, the Stakeholders' Relationship Committee consists of 3 (Three) members, namely, Mr. Arun Balakrishnan, Independent Director, Mr. Rudra Chatterjee, Independent Director and Mr. Navanit Narayan, Whole-time Director & Chief Executive Officer. Mr. Arun Balakrishnan is the Chairman of the Stakeholders' Relationship Committee. The Company Secretary acts as the Secretary of the Committee.

During the Financial Year, no meeting of the Stakeholders' Relationship Committee was held.

c. Compliance Officer:

Mr. Sajal Ghosh, EVP, Head – Legal & Company Secretary ceased to be the Company Secretary and Compliance Officer of the Company w.e.f. 31st March, 2023.

Further, Ms. Sarbani Mitra, Company Secretary of the Company was appointed as the Compliance Officer w.e.f. 1st April, 2023.

d. Details of Shareholders' complaints:

No. of complaints remaining unresolved as on 01.04.2022*	-
No. of complaints received during the year	NIL
No. of complaints resolved during the year	NIL
No. of complaints unresolved as on 31.03.2023	NIL

* The Company's Non-Convertible Debentures (NCDs), issued on private placement basis, are listed on BSE Limited (BSE) w.e.f. 5th July, 2022.

- Risk Management Committee

a. Brief description of terms of reference:

In compliance with Regulation 21 of the Listing Regulations, the Board of Directors of the Company has a Risk Management Committee which reviews the Risk Management Policy, the effectiveness and adequacy of the Risk Management Systems of the Company, including cyber security etc., and oversees all matters stipulated in Part of D of Schedule II to the Listing Regulations.

b. Constitution, Composition and Attendance:

As on 31st March, 2023, the Risk Management Committee consists of 3 (Three) members, namely, Mr. Arun Balakrishnan, Independent Director, Mr. Rudra Chatterjee, Independent Director and Mr. Navanit Narayan, Whole-time Director & Chief Executive Officer. Mr. Arun Balakrishnan is the Chairman of the Risk Management Committee. The Company Secretary acts as the Secretary of the Committee.

During the Financial Year ended on 31st March, 2023, 1 (One) meeting of the Risk Management Committee was held on 27th March, 2023.

The composition and attendance of the Members of the Risk Management Committee are as follows:

Sl. No.	Name of the Director	Position	Category	No. of Meetings	
				Held	Attended
1	Mr. Arun Balakrishnan	Chairman	Independent	1	1
2	Mr. Navanit Narayan	Member	Whole-time Director & CEO	1	1
3	Mr. Rudra Chatterjee	Member	Independent	1	1

- Corporate Social Responsibility Committee

a. Brief description of terms of reference:

As required under Section 135 of the Act, the Board of Directors of the Company has a Corporate Social Responsibility Committee. The terms of reference of the Corporate Social Responsibility Committee are in conformity with the requirements of Section 135 of the Act and the Rules made thereunder. The Corporate Social Responsibility Policy is available on the website of the Company at www.haldiapetrochemicals.com

b. Constitution, Composition and Attendance:

As on 31st March, 2023, the Corporate Social Responsibility Committee consists of 3 (Three) members, namely, Ms. Shanta Ghosh, Independent Director, Mr. Rudra Chatterjee, Independent Director and Mr. Subhasendu Chatterjee, Vice Chairman. Ms. Shanta Ghosh acts as the Chairperson of the Corporate Social Responsibility Committee. The Company Secretary acts as the Secretary of the Committee.

During the Financial Year ended on 31st March, 2023, 1 (One) meeting of the Corporate Social Responsibility Committee was held on 21st September, 2022.

The composition and attendance of the Members of the Corporate Social Responsibility Committee are as follows:

Sl. No.	Name of the Director	Position	Category	No. of Meetings	
				Held	Attended
1	Ms. Shanta Ghosh	Chairperson	Independent	1	1
2	Mr. Subhasendu Chatterjee	Member	Vice Chairman (Non-Executive)	1	1
3	Mr. Rudra Chatterjee	Member	Independent	1	-

* Ms. Sreoshi Moitra resigned as Director of the Company w.e.f. 8th September, 2022 and also ceased to be member of the Committee.

- Health, Safety and Environment Committee

Your Company has in place Health, Safety and Environment Committee consisting of 3 (Three) members, namely, Mr. Rudra Chatterjee, Independent Director, Mr. Subhasendu Chatterjee, Vice Chairman and Mr. Navanit Narayan, Whole-time Director & CEO. Mr. Rudra Chatterjee acts as the Chairman of the Committee.

The primary role of Health, Safety and Environment Committee is to look after the matter relating to Health, Safety and Environment in reference to your Company's business.

During the financial year ended on 31st March, 2023, 1 (One) meeting of the Health, Safety and Environment Committee was held on 5th January, 2023.

The composition and attendance of the Members of the Health, Safety and Environment Committee are as follows:

Sl. No.	Name of the Director	Position	Category	No. of Meetings	
				Held	Attended
1	Mr. Rudra Chatterjee	Chairperson	Independent	1	1
2	Mr. Subhasendu Chatterjee	Member	Vice Chairman (Non-Executive)	1	1
3	Mr. Navanit Narayan**	Member	Whole-time Director & CEO	-	-

* Consequent to cessation of his tenure as Nominee Director, Mr. Ujjal Kumar Das ceased to be member of the Committee w.e.f. 6th September, 2022. Further, Mr. Partha Sarathi Bhattacharyya and Mr. Sabyasachi Bhattacharya resigned as Directors of the Company w.e.f. 13th February, 2023 and also ceased to be members of the Committee.

** Mr. Navanit Narayan, Whole-time Director & CEO has been appointed as Member of the Committee w.e.f. 13th February, 2023.

- Allotment Committee

The Company also has an Allotment Committee comprising of Mr. Subhasendu Chatterjee, Vice Chairman, Ms. Shanta Ghosh, Independent Director and Mr. Rudra Chatterjee, Independent Director as Members.

Mr. Partha Sarathi Bhattacharyya resigned as Director of the Company w.e.f. 13th February, 2023 and also ceased to be a member of the Committee.

During the Financial Year, no meeting of the Allotment Committee was held. However, a Circular Resolution was approved by the Allotment Committee during the year.

- Investment Committee

The Company also has an Investment Committee comprising of Mr. Subhasendu Chatterjee, Vice Chairman and Mr. Rudra Chatterjee, Independent Director as Members.

Mr. Partha Sarathi Bhattacharyya and Mr. Vijay K Chaudhry resigned as Directors of the Company w.e.f. 13th February, 2023 and also ceased to be members of the Committee.

During the Financial Year, no meeting of the Investment Committee was held.

Remuneration of Directors

- Details of Remuneration paid to the Directors for the Financial Year ended on 31st March, 2023:

Sl. No.	Name of the Director	Sitting Fees paid	Salary & Allowances	Performance Linked Pay	Leave Encashment	Gratuity	Total
1.	Dr. Purnendu Chatterjee	2,15,000	-	-	-	-	2,15,000
2.	Mr. Subhasendu Chatterjee[1]	2,65,000	1,04,44,112	42,20,372	29,41,938	16,29,381	1,95,00,803
3.	Mr. Navanit Narayan[2]	95,000	-	-	-	-	85,00,614
4.	Ms. Shanta Ghosh	2,50,000	-	-	-	-	2,50,000
5.	Mr. Rudra Chatterjee	3,20,000	-	-	-	-	3,20,000
6.	Mr. Arun Balakrishnan	2,75,000	-	-	-	-	2,75,000
7.	Mr. Ujjal Kumar Das[3]	80,000	-	-	-	-	80,000
8.	Ms. Sreoshi Moitra[4]	1,20,000	-	-	-	-	1,20,000
9.	Mr. Vijay K Chaudhry[5]	1,20,000	-	-	-	-	1,20,000
10.	Mr. Partha Sarathi Bhattacharyya[5]	2,35,000	-	-	-	-	2,35,000
11.	Mr. Sabyasachi Bhattacharya[5]	1,35,000	-	-	-	-	1,35,000

Note:

1. Change in designation to Vice Chairman (Category: Non-Executive) w.e.f. 1st November, 2022. Mr. Chatterjee is being paid a sum o Rs. 2,16,00,000/- per annum for his engagement and rendering of services in professional capacity as a consultant / advisor for a period of 1 (One) year w.e.f. 1st November, 2022. The details of remuneration provided is exclusive of tax and other deductions.
2. Appointed as Additional Director (Category: Executive) and Whole-time Director & Chief Executive Officer w.e.f. 1st November, 2022. Mr. Narayan is entitled to Annual Long Term Incentive Plan (LTIP) of Rs. 62,50,000/- effective from 1st April, 2023 subject to achievement of business targets. The LTIP will be vested for 4 years and would become payable as on 1st April, 2027. The details of remuneration provided is exclusive of tax and other deductions.
3. Expiry of tenure as Nominee Director w.e.f. 6th September, 2022.
4. Ceased to be a Director w.e.f. 8th September, 2022.
5. Ceased to be Director w.e.f. 13th February, 2023.
6. The criteria for making payment to the Directors is available on the Company's website at www.haldiapetrochemicals.com

General Body meetings

- Particulars of last three Annual General Meetings (AGM) are given below:

Financial Year	Date	Location	Time	Special Resolution passed
2021-22	28.09.2022	Video Conferencing	12:00 Noon	1. Re-appointment of Mr. Subhasendu Chatterjee (DIN: 00153459) as Whole-time Director; 2. Continuation of Directorship of Mr. Vijay Krishna Chaudhry; 3. Approval of Loans, Investments, Guarantee or Security U/s 185 of Companies Act, 2013.
2020-21	27.09.2021	Video Conferencing	11:00 a.m.	1. Re-appointment of Ms. Shanta Ghosh (DIN: 01560559) as an Independent Director; 2. Re-appointment of Mr. Rudra Chatterjee (DIN: 01504650) as an Independent Director.
2019-20	16.10.2020	Video Conferencing	12:00 Noon	-

- Details of Special Resolution passed through Postal Ballot:

  During the financial year ended on 31st March, 2023, no special resolution was passed through Postal Ballot.

  Further, no special resolution is proposed to be conducted through Postal Ballot.

Means of Communication

The Company regularly interacts with the securityholders through the multiple channels of communication such as publication of results, Annual Report, Press Release and the Company's website. The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information as well as all such other material and relevant matters which in its, opinion are material and relevant for the shareholders. The Company effectively uses BSE Listing Centre, a web based application designed by BSE Limited, respectively, for filing of corporate governance report, financial statements and significant corporate announcements thereby saving time, cost and ensuring operational efficiency.

Quarterly results	The extract of the Quarterly results of the Company were published in prominent English Newspaper having nationwide circulation, published as per the prescribed format and regularly hosted on Company's website.
Newspapers in which results are normally published	Financial Express (All India edition).
Any website, where displayed	Yes, at the Company's website www.haldiapetrochemicals.com
Whether it also displays official news releases	Yes, as and when made.
The presentations made to institutional investors or to the analysts	No presentations were made to institutional investors and analysts during the year.

General Shareholder information

(a)		**Annual General Meeting**
	Date	27th September, 2023
	Time	11:00 am
	Venue	The 8th AGM of the Company will be conducted through Video Conferencing (VC) / Other Audio Visual Means (OAVM). The deemed venue for the 8th AGM shall be the Registered Office of the Company.
(b)	Financial Year	
	Quarter ending 30th June 2023	On or before 14th August, 2023
	Quarter / Half year ending 30th September, 2023	On or before 14th November, 2023
	Quarter / Nine months ending 31st December, 2023	On or before 14th February, 2024
	Financial Year ending 31st March, 2024	On or before 30th May, 2024
(c)	Dividend Payment Date	Not Applicable.
(d)	Listing on Stock Exchanges	The Non-Convertible Debentures (NCDs) of the Company are presently listed on the Debt segment of: BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 Scrip Code: 974026 & 974028 The Listing Fees for the Financial Year 2023-24 has been paid to BSE Limited within timelines.
(e)	Market price data	Not Applicable as the Equity Shares of the Company are not listed.
(f)	Stock Performance in comparison to broad-based indices	Not Applicable as the Equity Shares of the Company are not listed.
(g)	Registrar & Share Transfer Agents (for Equity Shares & NCDs)	KFin Technologies Limited Selenium Building, Tower B, Plot 31 & 32 Financial District, Nanakramguda Serilingampally Mandal Hyderabad – 500 032 T: 040-6716 1500, 1800-345-4001 Fax: 040-2342 0814 Website: https://www.kfintech.com Email: einward.ris@kfintech.com
(h)	Details of Debenture Trustee	SBICAP Trustee Company Limited Mistry Bhavan, 4th Floor, 122 Dinshaw Vachha Road, Churchgate, Mumbai – 400 020 T: 022 4302 5503 Website: www.sbicaptrustee.com Email: dt@sbicaptrustee.com
(i)	Distribution of Shareholding	Not Applicable as the Equity Shares of the Company are not listed.
(j)	Dematerialisation of Shares and Liquidity	The NCDs of the Company are held in dematerialsed form (ISIN INE105U07014 and INE105U07022).
(k)	Plant location	PO Box No. - 12 P.O. Durgachak, Dist. Purba Mednipur Pin - 721 602
(l)	Address for correspondence	Ms. Sarbani Mitra Company Secretary & Compliance Officer Tower 1, Bengal Eco Intelligent Park (Techna) Block EM, Plot No. 3, Sector V, Salt Lake, Kolkata – 700 091 Email: investors@hpl.co.in
(m)	Details of Credit Rating	AA-/Stable from India Ratings (for NCDs)

Other Disclosures

- The Company does not have any materially significant related party transaction, which may have potential conflict with the interests of the Company at large. All the transactions with related parties are in the ordinary course of business and on arm's length basis and have been disclosed separately in the Notes to the Financial Statements.
- There were no instances of any non-compliance by the Company related to capital markets during the year under review and no penalties or strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

- The Company has established a vigil mechanism system and has in place a Whistle Blower Policy, a copy of which is available on the Company's website www.haldiapetrochemicals.co.in. Adequate safeguards have been provided against the victimization of persons who use the vigil mechanism. All persons have been given direct access to the Chairperson of the Audit Committee to lodge their grievances. No person has been denied access to the Audit Committee to lodge their grievances. The Company had not received any complaint during the Financial Year ended on 31st March, 2023.

- The Policy on Material Subsidiary is available on the Company's website www.haldiapetrochemicals.co.in

- The Related Party Policy is available on the Company's website www.haldiapetrochemicals.co.in

- The Company is subject to commodity price risks due to fluctuation in prices of crude oil and petrochemical products. Also, Company's payables and receivables are partly in foreign currencies and due to fluctuations in foreign exchange rates, it is subject to Currency risks. The Company has laid down an Enterprise Risk Management Policy for assessment and minimisation of risk and the same are periodically reviewed by the Risk Management Committee of the Board.

  Further, the Company has adequate internal control systems to identify risks at the appropriate time and to ensure that the executive management controls the risk through a properly defined framework.

- Regulation 32(7A) of the Listing Regulations is not applicable to the Company. Further, the Company has not raised any funds through preferential allotment or qualified institutions placement during the Financial Year ended on 31st March, 2023. The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments. Hence, corresponding disclosures have not been made.

  However, the Company has issued NCDs amounting to Rs. 500 Crores on private placement basis. The said NCDs are listed with BSE Limited.

- A certificate has been obtained from M/s. S. Sarkar & Associates, Practicing Company Secretaries, confirming that none of the Directors of the Company have been debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as directors of the Company and the same forms part of the Annual Report.

- All recommendations made by the Committees of the Board during the year were accepted by the Board. During the Financial Year ended on 31st March, 2023, there was no such instance wherein the Board had not accepted any recommendation of any committee of the Board.

- Details of total fees for all services paid by the Company on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part of, are given below:

Particulars	Amount (in Rs.)
Auditors' Remuneration	1,19,50,000
Quarterly Reviews	60,00,000
Other services	89,74,754
Reimbursement of expenses	5,71,819
TOTAL	**2,74,96,573**

- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sl. No.	Particulars	Number
1.	Number of complaints on Sexual harassment received during the year	1
2.	Number of Complaints disposed off during the year	1
3.	Number of cases pending as on end of the Financial Year	-

- The Company has duly complied with the requirements specified in Regulations 17 to 27 of Listing Regulations. Further, clauses (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations are not applicable to the Company.

- Disclosure w.r.t. demat suspense account / unclaimed suspense account are not applicable to the Company.

- Other items which are not mentioned in this Report are mentioned in the Report of the Directors and those items which are not applicable to the Company have not been separately commented upon.

Date: 18.05.2023
Place: New Delhi / Kolkata

For and on behalf of the Board

Navanit Narayan
Whole-time Director &
Chief Executive Officer
(DIN: 08280314)

Subhasendu Chatterjee
Vice Chairman
(DIN: 00153459)

To,
The Members
Haldia Petrochemicals Limited
Bengal Eco Intelligent Park (Techna)
Tower - 1, Block - EM, Plot No. 3
Sector - V, Salt Lake, Bidhan Nagar
Kolkata – 700 091

Sub:- Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have examined the compliance of conditions of Corporate Governance by **Haldia Petrochemicals Limited** ("the Company"), for the Financial Year ended 31st March, 2023 as stipulated under Regulations 17 to 27 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations").

The compliance of regulations of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of Corporate Governance.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations and to the extent applicable to the Company.

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

For S.SARKAR & ASSOCIATES
Company Secretaries

SANDIP SARKAR
(Proprietor)
Membership No.-FCS 7524
CP No.-9483
PRC No.-2516/2022
UDIN-F007524E000305085

Date: 18.05.2023
Place: Kolkata

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
Haldia Petrochemicals Limited
Bengal Eco Intelligent Park (Techna)
Tower - 1, Block - EM, Plot No. 3
Sector - V, Salt Lake, Bidhan Nagar
Kolkata – 700 091

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Haldia Petrochemicals Limited having CIN: U24100WB2015PLC205383 and having Registered Office at Bengal Eco Intelligent Park (Techna), Tower - 1, Block - EM, Plot No. 3, Sector - V, Salt Lake, Bidhan Nagar, Kolkata - 700091 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Schedule V, Para-C, Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my 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 me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such other Statutory Authority.

Sl. No.	Name	DIN	Designation	Date of Appointment*
1.	Dr. Purnendu Chatterjee	00415297	Chairman (Non-Executive)	23.02.2015
2.	Mr. Subhasendu Chatterjee	00153459	Vice Chairman (Non-Executive)	23.02.2015
3.	Mr. Navanit Narayan	08280314	Whole-time Director & Chief Executive Officer	01.11.2022
4.	Ms. Shanta Ghosh	01560559	Independent Director	05.09.2016
5.	Mr. Rudra Chatterjee	01504650	Independent Director	05.09.2016
6.	Mr. Arun Balakrishnan	00130241	Independent Director	12.08.2020

*The date of appointment is as per the MCA Portal.

Ensuring the eligibility for 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 S.SARKAR & ASSOCIATES
Company Secretaries

SANDIP SARKAR
(Proprietor)
Membership No.-FCS 7524
CP No.-9483
PRC No.-2516/2022
UDIN-F007524E000305063

Date: 18.05.2023
Place: Kolkata

Certificate on Compliance with the Code of Conduct

Haldia Petrochemicals Limited ("the Company") has adopted the Code of Conduct for its Board Members and Senior Management Personnel and the same is available on the website of the Company.

Pursuant to Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared that all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended on 31st March, 2023.

Date: 18.05.2023

Place: New Delhi

For and on behalf of the Board
Navanit Narayan
Whole-time Director &
Chief Executive Officer
(DIN: 08280314)

Certification by Whole-time Director & Chief Executive Officer and Chief Financial Officer

[Pursuant to Regulation 17(8) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015]

We, the undersigned, in our respective capacities as Whole-time Director & Chief Executive Officer and Chief Financial Officer of Haldia Petrochemical Limited ("the Company") to the best of our knowledge and belief, hereby certify that:

A. We have reviewed Financial Statements and the Cash Flow Statement for the Financial Year 2022-23 and that to the best of their knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain 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. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

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

(1) significant changes in internal control over financial reporting during the Financial Year;

(2) significant changes in accounting policies during the Financial 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 listed entity's internal control system over financial reporting.

Date: 18th May, 2023

Place: New Delhi / Philadelphia, USA

For Haldia Petrochemicals Limited

Navanit Narayan
Whole-time Director & Chief Executive Officer

Neela Madhab Patnaik
EVP & Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To The Members of Haldia Petrochemicals Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Haldia Petrochemicals Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note 31.2 to the Standalone Financial Results relating to recognition of government incentives aggregating to Rs. 3,731.94 million during the year ended March 31, 2023 (Rs 14,579.34 million recognised upto March 31, 2023) under the West Bengal Incentive Scheme 1999 that is pending formulation of the related rules etc. by the Government of West Bengal on implementation of the Goods and Service Tax Laws. As stated in the said note, the Management has recognised incentive benefits to the extent of SGST collected and deposited (i.e., to the extent the tax accrues to the State Government) till 31st March 2023, as per the terms of the shareholder agreement dated 11th September, 2014 to which the Government of West Bengal is a party, after re-assessment of the reasonability of ultimate recovery of such benefits based on developments till date as mentioned therein.

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.

Sr. No.	Key Audit Matter	Auditor's Response
1	Impairment of Investment in subsidiary (Refer notes 2.6, 3(vi), 9 to the Standalone Financial Statements) As at 31st March 2023, the Company held investment with a carrying value of Rs. 17991.96 million in a subsidiary - HPL Technologies BV, Netherlands. This investment is carried at cost less impairment in the Company's standalone financial statements.	Principal audit procedures performed: We obtained an understanding of the Company's policies and procedures to identify impairment indicators for investment in subsidiary and performed the following procedures in relation to the Company's management impairment assessment:

INDEPENDENT AUDITOR'S REPORT

Sr. No.	Key Audit Matter	Auditor's Response
1	The recoverable amount of the investment in this subsidiary is assessed based on future discounted cash flows of the underlying downstream operating joint venture (Enterprise Value). The Company's management has tested this investment for impairment in accordance with Ind AS 36 by comparing its recoverable amount with its carrying amount as at 31 March, 2023. We considered this as a key audit matter due to materiality of above assets in context of the standalone financial statements and significant judgement involved in estimating future cash flows of the underlying downstream operating joint venture and in determining the discount rate to be used. Changes in inputs and assumptions could impact the results of the impairment assessment.	• We tested the design and operating effectiveness of the Company's management controls over review of the impairment assessment including those over the forecasts of future cash flows and the selection of the discount rate. • We evaluated the reasonableness of forecasts of future cash flows of the said subsidiary and the underlying downstream operating joint venture provided to us by the Company's management by comparing the forecasts to historical trend analysis. • With the assistance of our fair value specialists, we evaluated the reasonableness of the valuation methodology and discount rate by developing a range of independent estimates and comparing those to the discount rate selected by the management. • We evaluated management's sensitivity analysis around the key assumptions such as discount rate and terminal growth rate, to ascertain the extent of change in those assumptions that would be required for the investment in subsidiary. • We evaluated the adequacy of the Company's disclosures in the standalone financial statements in respect of its impairment testing.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including annexures to Director's Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting

INDEPENDENT AUDITOR'S REPORT

unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 with reference to standalone financial statements 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 the 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.

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

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 Section 143(3) of the Act, based on our audit, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to standalone financial statements.

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

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

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 40;

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

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

      iv. (a) The Management has represented that, to the best of it’s knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The Management has represented, that, to the best of it’s knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

INDEPENDENT AUDITOR'S REPORT

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. Bhattacharya
(Partner)
(Membership No. 054110)
(UDIN: 23054110BGXDXN1774)

Place: Kolkata
Date: 18th May, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to 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 standalone financial statements of Haldia Petrochemicals Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company 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 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 with reference to standalone financial statements. 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 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to 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 controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements 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 **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. Bhattacharya
(Partner)
(Membership No. 054110)
(UDIN: 23054110BGXDXN1774)

Place: Kolkata
Date: 18th May, 2023

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i.a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

b. The Company has a program of verification of property, plant and equipment, (including capital work-in-progress and right-of-use assets) so to cover all the items once every 4 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c. Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in (property, plant and equipment and capital work in progress), are held in the name of the Company as at the balance sheet date. Immovable properties of buildings whose title deeds have been pledged as security for loans, are held in the name of the Company based on the confirmations directly received by us from lenders.

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as Right-of-Use Asset in the financial statements, we report that, the lease agreements are duly executed in favour of the Company. Further where the title deeds have been pledged as security for loans, those are held in the name of the Company based on the confirmations directly received by us from lenders.

d. The Company has not revalued any of its property, plant & equipment (including Right of Use assets) and intangible assets during the year.

e. No proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a. The inventories except for (goods-in-transit and stocks held with third parties), were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on such physical verification. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.

b. According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements and book debt statements) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

iii. The Company has not provided security or granted any advances in the nature of loans during the year. The Company has made investments, provided loans and guarantees during the year, in respect of which:

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

a. The Company has provided loans and stood guarantees to other entities during the year and the details of which are given below:

	Loans (Rs. in million)	Guarantees (Rs. in million)
A. Aggregate amount granted/provided during the year		
- Others	1,000.45	32.50
B. Balance outstanding as at balance sheet date in respect of above cases:*		
- Others	1,000.45	32.50

*The amounts reported are at gross amounts, without considering provisions made.

b. The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

c. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

d. According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted, there is no overdue amount remaining outstanding as at the balance sheet date.

e. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

f. According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. a. In respect of statutory dues:

Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable.

b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Rs. in Million)
Income Tax Act, 1961	Central Income -tax	Commissioner of Income-tax (Appeals)	2006-07	0.36
Income Tax Act, 1961	Central Income -tax	Commissioner of Income-tax (Appeals)	2019-20	2.14
Finance Act, 1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal, Kolkata	2004 to 2009	779.48
	Service Tax	Commissioner (Appeals), Kolkata	2006	2.61
The Goods and Service Tax Act	Goods and Service Tax	Joint Commissioner, Central Tax, CGST & CX Kolkata North Comm'te, Kolkata.	2017-18	259.16
The West Bengal Value Added Tax Act, 2003	Value Added Tax	Taxation Tribunal of Sales Tax	2007-09 and 2010-11	37.44
The Central Sales Tax Act, 1956	Sales tax	High Court, Kolkata	2007 to 2009, 2010-11 and 2014-15	241.53
		The West Bengal Commercial Taxes Appellate & Revisional Board	2016-17	144.10
The Central Excise Act, 1944	Excise duty	Customs, Excise and Service Tax Appellate Tribunal, Kolkata	2000 to 2015 and 2016-17	6,476.64
West Bengal Tax on Entry of Goods into Local Areas Act 2012	Entry Tax	Calcutta High Court, Division Bench	2012-13 to 2020-21	7,009.43

viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix. a. In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c. To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

x. a. In our opinion, moneys raised by way of issuance of debt instruments during the year have been, prima facie, applied by the Company for the purposes for which they were raised.

b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

xi. a. To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b. To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c. As represented to us by the management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report).

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

xiv a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b. We have considered, the internal audit reports of the Company issued till date of the audit report, for the period under audit.

xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or directors of it's holding company, subsidiary company or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report which is not mitigated indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. Bhattacharya
(Partner)
(Membership No. 054110)
(UDIN: 23054110BGXDXN1774)

Place: Kolkata
Date: 18th May, 2023

CIN: U24100WB2015PLC205383

Standalone Balance Sheet

as at March 31, 2023

Rs. in million

Particulars	Notes	As at 31st March 2023	As at 31st March 2022
Non Current Assets			
(a) Property, Plant and Equipment	4	**73,305.85**	74,713.31
(b) Capital Work-in-Progress	5	**1,843.74**	6,771.10
(c) Right-of-Use Assets	6	**22,807.20**	22,781.00
(d) Other Intangible Assets	7	**12,827.66**	19,499.16
(e) Intangibles under development	8	**3.66**	9.45
(f) Financial Assets			
(I) Investments	9	**46,969.59**	41,862.42
(ii) Loans	10	**2,274.10**	1,303.27
(iii) Other Financial Assets	11	**9,561.52**	65.85
(g) Income Tax Assets (Net)	13	**415.93**	1,745.24
(h) Other Non-Current Assets	17	**15,157.72**	12,446.41
Total Non-Current Assets (I)		**1,85,166.97**	1,81,197.21
Current Assets			
(a) Inventories	13	**15,273.14**	18,075.46
(b) Financial Assets			
(I) Investments	14	**14,410.52**	24,484.96
(ii) Trade Receivables	15	**4,784.88**	3,944.97
(iii) Cash and Cash Equivalents	16	**224.59**	2,887.51
(iv) Bank balances other than (iii) above	16	**1,500.00**	484.00
(v) Loans	10	**30.33**	103.09
(vi) Other Financial Assets	11	**1,115.65**	609.79
(c) Other Current Assets	17	**5,755.28**	5,094.86
Total Non-Current Assets (II)		**43,094.39**	55,684.64
TOTAL ASSETS (I+II)		**2,28,261.36**	2,36,881.85
EQUITY AND LIABILITIES			
EQUITY			
Shareholders' Fund			
(a) Equity Share Capital	18	**16,879.39**	16,879.39
(b) Other Equity	20	**1,44,757.51**	1,51,010.99
Total Equity (III)		**1,61,636.90**	1,67,890.38
LIABILITIES			
Non Current Liabilities			
(a)Financial Liabilities			
(I) Borrowings	21	**28,815.17**	25,020.33
(ii) Lease Liabilities	22	**340.56**	60.70
(iii) Other Financial Liabilities	24	**16.57**	15.27
(b) Provisions	25	**203.82**	232.39
(c) Deferred Tax Liabilities (Net)	12	**11,042.37**	14,772.72
(d) Other Non-Current Liabilities	23	**1,220.04**	2,842.69
Total Non-Current Liabilities (IV)		**41,674.53**	42,944.10
Current Liabilities			
(a) Financial Liabilities			
(I) Borrowings	26	**10,931.42**	9,493.64
(ii) Lease Liabilities	27	**79.28**	31.59
(iii) Trade Payables	28		
Total outstanding dues of Micro Enterprises and Small Enterprises		**88.44**	69.10
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		**9,227.68**	11,875.85
(iv) Other Financial Liabilities	29	**2,462.31**	2,157.51
(b) Provisions	25	**33.45**	32.84
(c) Other Current Liabilities	30	**2,127.35**	2,386.84
Total Current Liabilities (V)		**24,949.93**	26,047.37
TOTAL EQUITY AND LIABILITIES (III+IV+V)		**2,28,261.36**	2,36,881.85

See accompanying notes 1 - 50 to the Standalone Financial Statements
in terms of our report attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants

A. Bhattacharya
Partner
Membership No. 054110
Kolkata
Dated : 18th May, 2023

For and on behalf of the Board of Directors

Subhasendu Chatterjee
Director
DIN: 00153459
Kolkata
Dated : 18th May 2023

Navanit Narayan
Wholetime Director & Chief Executive Officer
DIN: 08280314
New Delhi
Dated : 18th May 2023

Sarbani Mitra
Company Secretary
Kolkata
Dated : 18th May 2023

N Patnaik
Chief Financial Officer
USA
Dated : 18th May 2023

Standalone Statement of Profit and Loss

For the year ended March 31, 2023

Rs. in million

Particulars	Notes	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Revenue from Operations	31	1,43,432.80	1,18,264.61
Other income	32	2,524.51	2,252.14
Total Income		1,45,957.31	1,20,516.75
Expenses			
Cost of Materials Consumed	33	1,14,153.52	86,852.37
Purchases of Stock-in-Trade	34	104.58	858.61
Changes in inventories of finished goods, work-in-progress and By-products	35	1,681.67	(2,835.63)
Employee Benefits Expenses	36	1,787.77	1,806.24
Finance Costs	37	3,107.83	2,368.61
Depreciation and Amortisation Expense	38	14,834.42	15,540.69
Other Expenses	39	20,401.90	17,536.08
Total Expenses		1,56,071.69	1,22,126.97
Loss before exceptional items and tax		(10,114.38)	(1,610.22)
Exceptional Items	32.1	—	5,833.25
(Loss) / Profit before tax		(10,114.38)	4,223.03
Tax Expense			
Current Tax:			
Tax on Foreign Dividend		—	68.70
Minimum Alternate Tax (MAT)		—	270.00
Income Tax relating to earlier years		(120.65)	—
Deferred Tax	12	(3,733.81)	1,089.20
Total Tax Expense		(3,854.46)	1,427.90
(Loss) / Profit for the year		(6,259.92)	2,795.13
Other Comprehensive Income for the year			
Items that will not be reclassified to profit or loss			
(a) Changes in revaluation surplus	4	—	(0.01)
(b) Remeasurement of defined benefit plans	36	9.90	(32.12)
(c) Income tax on above		(3.46)	11.23
Total other comprehensive income / (loss)		6.44	(20.90)
Total comprehensive (loss) / income for the year		(6,253.48)	2,774.23
Earnings per Equity Share [nominalvalue of share Rs.10/- (31st March 2022:Rs.10/-) Basic /Diluted]	44	(3.71)	1.66

See accompanying notes 1 - 50 to the Standalone Financial Statements
in terms of our report attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants

A. Bhattacharya
Partner
Membership No. 054110
Kolkata
Dated : 18th May, 2023

For and on behalf of the Board of Directors

Subhasendu Chatterjee
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Company Secretary
Kolkata
Dated : 18th May 2023

N Patnaik
Chief Financial Officer
USA
Dated : 18th May 2023

CIN: U24100WB2015PLC205383

Standalone Cash Flow Statement

For the year ended March 31, 2023

Rs. in million

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
A Cash flow from operating activities		
Profit/(Loss) before tax	**(10,114.38)**	4,223.03
Adjustments for:		
Depreciation and amortisation expense	**14,834.42**	15,540.69
Accrued Benefits under Government incentive schemes	**(3,731.94)**	(2,794.96)
Liabilities / provisions no longer required, written back	**(377.42)**	(355.79)
Interest income earned on Financial Assets that are not designated at fair value through Profit or Loss	**(969.82)**	(631.71)
Gain on Sale of Investments	**(856.05)**	(938.03)
Net (gain) / loss on foreign currency transactions and translation	**1,060.38**	311.27
Net (gain) / loss arising on financial liabilities designated as at FVTPL	**74.86**	—
Net (gain) / loss arising on financial assets measured at FVTPL	**(1,039.86)**	17.45
Provision for obsolete spares, doubtful debts and advances	**489.41**	—
Loss on Sale / Retirement of Assets	**245.32**	0.02
Profit on sale of Capital Work in Progress (CWIP) items	**(2.17)**	—
Dividend income	**(355.19)**	(262.42)
Finance Costs	**3,107.83**	2,368.61
Exceptional Items - Reversal of Liabilities	**—**	(5,833.25)
Operating Profit before Working Capital changes:	**2,365.39**	11,644.91
Changes in working capital		
Decrease / (Increase) in Other Current Assets	**(1,149.83)**	(3,066.73)
Decrease / (Increase) in Other Non Current Assets	**(77.10)**	96.70
Decrease / (Increase) in Financial Assets - Non Current	**17.53**	111.66
Decrease / (Increase) in Financial Assets - Current	**(254.16)**	(159.79)
Decrease / (Increase) in Inventories	**2,802.30**	(7,186.95)
Decrease / (Increase) in Trade Receivables - Current	**(800.40)**	(952.99)
(Decrease) / Increase in Trade Payables- Current	**(2,280.14)**	4,586.52
(Decrease) / Increase in Other Liabilities - Current	**(259.49)**	1,679.86
(Decrease) / Increase in Other Liabilities - Non Current	**(1,622.65)**	2,842.69
(Decrease) / Increase in Financial Liabilities - Current	**541.21**	271.90
(Decrease) /Increase in Financial Liabilities - Non Current	**1.29**	0.46
(Decrease) / Increase in Provisions - Non Current	**(18.66)**	11.76
(Decrease) / Increase in Provisions - Current	**0.61**	1.99
Cash generated from operations	**(734.10)**	9,881.99
Net Income Taxes (paid) / refunded	**1,449.95**	(990.70)
Cash flow before exceptional items	**715.85**	8,891.29
Less: Profit on sale of investment being not in the nature of operation - -		
Net cash flow generated from operating activities (A)	**715.85**	8,891.29
B Cash flow from investing activities		
Payments for Property, Plant and Equipment, Intangibles, etc	**(2,099.69)**	(6,768.47)
Proceeds from sale of Plant Property and Equipment	**—**	0.01
Purchase of Equity in subsidiary company	**(440.65)**	(1,412.88)
Advance against Equity Shares	**—**	(1,108.81)
Purchase of current investments	**(98,145.94)**	(82,510.21)
Proceeds from sale / maturity of current investments	**1,06,551.12**	82,771.51
Investments in bank deposits (having original maturity of more than three months)	**(10,950.20)**	(1,312.14)
Bank deposits redeemed / placed - net (having original maturity of more than three months)	**509.97**	1,398.00
Loan given to Related Parties	**(1,000.00)**	—
Repayment of Loan by Related Parties	**95.49**	1,428.74
Interest received	**734.92**	589.36
Dividend received from subsidiary company	**262.23**	236.37
Net cash flow used in investing activities (B)	**(4,482.75)**	(6,688.52)

Standalone Cash Flow Statement

For the year ended March 31, 2023

Rs. in million

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
C Cash flow from financing activities		
Redemption of Preference Shares	—	(2,710.83)
Proceeds from Long Term borrowings	**24,855.07**	18,011.19
Repayment of Long term Borrowings	**(21,820.20)**	(16,935.87)
Proceeds from Short Term borrowings	**52,128.35**	39,607.82
Repayment of Short term Borrowings	**(50,817.13)**	(36,468.35)
Interest Paid	**(3,113.22)**	(2,150.96)
Payment of Lease Liabilities	**(129.37)**	(695.11)
Dividends paid on preference shares	—	(105.83)
Net cash flow generated from / (used in) financing activities (C)	**1,103.50**	(1,447.94)
D Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	**(2,663.40)**	754.83
Effect of exchange differences on cash and cash equivalents held in foreign		
E Cash and Cash Equivalents at the Beginning of the Year	**2,889.06**	2,134.23
F Cash and Cash Equivalents at the End of the Year (D + E)	**225.66**	2,889.06

(I) The above cash flow statement has been prepared under the Indirect Method as set out in the Ind AS 7 - Statement of Cash Flows

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
omponents of cash and cash equivalents:		
Cash on hand	**0.79**	0.72
Unrestricted Balances with Bank	**219.30**	882.59
Deposit account	**4.50**	2,004.20
Cash and cash equivalents (Refer Note: 16)	**224.59**	2,887.51
Exchange Differences	**1.07**	1.55
Total cash and cash equivalents	**225.66**	2,889.06

See accompanying notes 1 - 50 to the Standalone Financial Statements
in terms of our report attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants

A. Bhattacharya
Partner
Membership No. 054110

Kolkata
Dated : 18th May, 2023

For and on behalf of the Board of Directors

Subhasendu Chatterjee
Director
DIN: 00153459
Kolkata
Dated : 18th May 2023

Navanit Narayan
Wholetime Director & Chief Executive Officer
DIN: 08280314
New Delhi
Dated : 18th May 2023

Sarbani Mitra
Company Secretary
Kolkata
Dated : 18th May 2023

N Patnaik
Chief Financial Officer
USA
Dated : 18th May 2023

Standalone Statement of Change in Equity

For the year ended March 31, 2023

Rs. in million

a. Equity Share Capital

Particulars	Number of Shares	Share Capital
Balance as at 1st April 2021	1,68,79,38,532	16,879.39
Changes in equity share capital during the year	—	—
Balance at 31st March, 2022	1,68,79,38,532	16,879.39
Changes in equity share capital during the year	—	—
Balance at 31st March, 2023	1,68,79,38,532	16,879.39

b. Other Equity

	Reserves and Surplus					Total
	Securities Premium	Deemed Capital Contribution	Capital Redemption Reserve	Retained Earnings	Revaluation Surplus	
Balance as at 1st April 2021	**1,19,641.08**	**57.07**	**—**	**(1,041.26)**	**29,579.87**	**1,48,236.76**
Other Comprehensive Income (net of tax)	—	—	—	(20.89)	—	**(20.89)**
(Loss) / Profit for the year	—	—	—	2,795.13	—	**2,795.13**
Transfer to Capital Redemption Reserve	—	—	2,710.82	(2,710.82)	—	—
Revaluation gain recognised for PPE (net of tax)	—	—	—	—	(0.01)	**(0.01)**
Adjustment relating to revaluation surplus derecognised on discard of Property, Plant and Equipment (PPE) (net of tax)	—	—	—	2,080.05	(2,080.05)	—
Balance at 31st March, 2022	1,19,641.08	57.07	2,710.82	1,102.21	27,499.83	**1,51,010.99**
Balance at the 1st April 2022	1,19,641.08	57.07	2,710.82	1,102.21	27,499.83	**1,51,010.99**
Other Comprehensive Income (net of tax)	**—**	**—**	**—**	**6.44**	**—**	**6.44**
(Loss) / Profit for the year	**—**	**—**	**—**	**(6,259.92)**	**—**	**(6,259.92)**
Adjustment on account of depreciation on revalued PPE / ROU (net of tax)	**—**	**—**	**—**	**2,152.18**	**(2,152.18)**	**—**
Balance at 31st March, 2023	**1,19,641.08**	**57.07**	**2,710.82**	**(2,999.09)**	**25,347.65**	**1,44,757.51**

Notes:

Securities Premium: This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Deemed Capital Contribution: This represents the finance charges borne by a Promoter Company on behalf of the Company.

Capital Redemption Reserve: This represents amounts transferred from Retained Earnings on redemption of Preference Shares. This can be utilised in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This reserve represents the cumulative profits of the Company. This can be utilised in accordance with the provisions of the Companies Act, 2013.

Revaluation Surplus : This represents excess of fair value over the carrying value of certain class of Property Plant and Equipment (PPE) based on valuation done by an independent registered valuer. The said reserve is transferred to retained earnings to the extent of difference between depreciation based on the PPEs' original cost and their fair value on year to year basis and is available for distribution to dividend to that extent.

See accompanying notes 1 - 50 to the Standalone Financial Statements
in terms of our report attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants

A. Bhattacharya
Partner
Membership No. 054110
Kolkata
Dated : 18th May, 2023

For and on behalf of the Board of Directors

Subhasendu Chatterjee
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Company Secretary
Kolkata
Dated : 18th May 2023

N Patnaik
Chief Financial Officer
USA
Dated : 18th May 2023

Notes forming part of Standalone Financial Statements

1 **General Information**

Haldia Petrochemicals Limited (" the Company ") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company has its debt instruments listed on Bombay Stock ExchangeIndia Limited (BSE). The Company is an integrated naphtha based Petrochemical manufacturing Company. The major products of the Company are HDPE (High Density Polyethylene), LLDPE (Linear low density polyethylene), PP (Polypropylene), Benzene, Butadiene, Motor Spirit, CBFS (Carbon Black Feed Stock). The Company's plant is located at Haldia (a port city about 200 Km. from Kolkata).

2 **Significant Accounting Policies**

2.1 **Statement of Compliance**

These standalone financial statements, for the year ended 31st March 2023, have been prepared in accordance with Indian Accounting Standards (Ind ASs) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended. These Standalone Financial Statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

These financial statements were adopted by the Board of Directors on 18th May, 2023.

2.2 **Basis of Preparation**

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain classes of property, plant and equipment (namely, Plant and Equipment and Buildings), Right of Use Assets (Land) and certain financial assets that are measured at revalued amounts or fair values 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.

The Accounting Policies have been consistently applied by the Company and are consistent with those used in the previous year unless a change in accounting policy is required by an Ind AS.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective.

1. Ind AS 101 - First-time adoption of Ind AS

2. Ind AS 102 - Share Based Payment

3. Ind AS 103 – Business Combinations

4. Ind AS 107 – Financial Instruments - Disclosures

5. Ind AS 109 – Financial Instruments

6. Ind AS 115 – Revenue from Contracts with Customers

7. Ind AS 1 – Presentation of Financial Statements

8. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

9. Ind AS 12 - Income Taxes

10. Ind AS 34 – Interim Financial Reporting

These amendments shall come into force with effect from 1st April, 2023. The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.

Notes forming part of Standalone Financial Statements

2.3 **Operating Cycle**

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 the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.4 **Property, Plant and Equipment – Tangible Assets**

The Company's assets, namely, Buildings and Plant & Equipment are carried at revalued amount, being respective fair value on such revaluation less accumulated depreciation and accumulated impairment losses if any. Other assets, namely, Computers and Peripherals, Electrical Equipments, Office Equipments and Vehicles are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of all directly attributable expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

Capital Work in Progress is stated at cost (including borrowing cost, where applicable), incurred during construction / installation / preoperative periods relating to items or project in progress.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 or as technically determined, on a straight line basis.

Estimated useful lives of the assets are as follows-

Buildings 5-60 years

Plant and equipment 5-40 years

Furniture and fixtures 10 years

Computers 3-6 years

Vehicles 8-10 years

Depreciation on class of assets carried at fair value is recognised on such fair value on a straight line basis. In case of a revaluation increase, the difference between depreciation based on fair value of the asset and depreciation based on the asset's original cost is transferred from revaluation surplus to retained earnings on year to year basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. In respect of asset carried at cost, gain or loss arising on the disposal or retirement of the asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. In respect of asset carried at fair value, the gain or loss arising on the disposal or retirement of the asset is determined as the difference between the sale proceeds of the asset and its fair value as reduced by balance in revaluation reserve related to that asset on the date of disposal.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. For the class of assets carried at Fair Value, valuation are being reviewed on periodic basis.

2.5 **Intangible Assets**

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant

b. for separately acquired assets, at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Goodwill arising on the merger of erstwhile Haldia Petrochemicals Limited has been recognised in accordance with the Scheme sanctioned by the Court and has been amortised over a period of 5 years.

Other intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method.

Estimated useful life of intangible assets (other than Goodwill) : 5 -10 years.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change. The impact of such changes is accounted for as a change in accounting estimate.

Notes forming part of Standalone Financial Statements

2.6 **Impairment**

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

2.7 **Inventories**

Inventories are stated at lower of cost and net realizable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale.

Obsolete, slow moving and defective inventories are identified periodically and, where necessary, a provision is made for such inventories.

2.8 **Foreign Currency Transactions**

The functional and presentation currency of the Company is Indian Rupee. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Consideration received or paid in advance in foreign currency is carried at exchange rate at which the transactions were initially recognised in the books.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.9 **Investment in Subsidiaries**

Investment in subsidiaries are carried at cost less accumulated impairment, if any.

2.10 **Financial instruments, Financial assets, Financial liabilities and Equity instruments**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument and 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 measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial Assets

Recognition: Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents.

Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes.

Despite the foregoing, the Company may make the following irrevocable election / designation at initial recognition of a financial asset:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (i) below); and
- the Company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch [(see (ii) below)].

Notes forming part of Standalone Financial Statements

I) **Equity instruments designated as at FVTOCI**

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in a separate component of equity. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with Ind AS 109, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'Other income' line item (note 32) in Statement of Profit and Loss.

(ii) **Financial assets at FVTPL**

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (I) above).
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Impairment: The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, financial guarantee contracts, and certain other financial assets measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime expected credit losses (ECL) for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(I) **Significant increase in credit risk**

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

(ii) **Credit-impaired financial assets**

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

a) significant financial difficulty of the issuer or the borrower;

b) a breach of contract, such as a default or past due event;

c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower’s financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

e) the disappearance of an active market for that financial asset because of financial difficulties.

(iii) **Write-off policy**

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade

Notes forming part of Standalone Financial Statements

receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company ' s recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in a separate component of equity wherein fair value changes are accumulated, and does not reduce the carrying amount of the financial asset in the balance sheet.

Reclassification: When and only when the business model is changed, the Company reclassifies all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, FVTOCI, FVTPL without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership.

Concurrently, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

(b) FVTOCI, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition: Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled or on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

Derivatives

Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in the Statement of Profit and Loss immediately.

2.11 **Revenue**

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Revenue from the sale of goods is recognised when the Company satisfies its performance obligation by transferring goods to the buyer and the buyer obtains control of the goods which happens mainly when invoice is raised upon the customer, the amount of revenue is measured reliably and recovery of the consideration is probable. Amount received as advance from customer is recognised as revenue when the Company satisfies its performance obligations and the buyer obtains control of the goods and till that time, the amount received is held as a liability. The Company offers interest free credit period of 14 days from the date of sale and offers cash discount at applicable rate per MT for early payment, that is Day 3 of invoice date. The Company also offers quantity linked incentive schemes based on monthly offtake and the amounts payable under such schemes are recognised as expenses in respective months. The Company's sales returns are rare and the same are accounted for when such returns are accepted by the Company. Revenue is net of returns and discounts.

Revenue from services is recognised in the periods in which the services are rendered.

2.12 **Government Grant**

The Company may receive government grants that require compliance with certain conditions related to the Company 's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant.

Notes forming part of Standalone Financial Statements

Accordingly, government grants:

(a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.

(b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.

(c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable. In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

2.13 **Dividend Distribution**

Dividends paid is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

2.14 **Employee Benefits**

The Company makes contributions to both defined benefit and defined contribution schemes.

Provident Fund contributions are in the nature of defined contribution scheme and contribution made to recognized provident funds, approved superannuation scheme and national pension scheme are recognized in the Statement of Profit and Loss, as they are incurred.

The obligation under the defined benefit obligation, which covers Gratuity for management and non-management staff is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through other comprehensive income in the period in which they occur.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

Contribution in respect of gratuity and superannuation for management staff are made to a Trust set up by the Company determined as payable in the actuarial valuation report and adjusted against the provisions.

2.15 **Leases**

Company as a Lessee

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116. The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

a) the use of an identified asset,

b) the right to obtain substantially all the economic benefits from use of the identified asset, and

c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

Accordingly the Company has recognised right-of-use assets under the heads Land, Buildings and Plant & Machinery. The rightof-use assets under the head Building and Plant & Machinery are carried at cost and under the head Land is carried at fair value.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. The right-of use assets carried at cost or at fair value 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. In case of a revaluation increase, applicable for right-of-use assets carried at fair value (Land), the difference between depreciation / amortisation based on fair value of the asset and depreciation / amortisation based on the asset's cost is transferred from revaluation surplus to retained earnings on year to year basis.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in Statement of Profit and Loss.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in Statement of Profit and Loss.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term. Lease payments in respect of which right of use assets have been recognised, have been classified as cash used in Financing activities.

Notes forming part of Standalone Financial Statements

Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases.

Leases, for which the Company is an intermediate lessor, it accounts for the head-lease and sub-lease as two separate contracts. The sub-lease is is classified as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

2.16 **Taxes on Income**

Taxes on income comprises of current taxes and deferred taxes.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company ' s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date 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. 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 and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or 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 recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Tax Credit is recognized in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA / 115 JB of the Income Tax Act, 1961 based on convincing evidence that the Company will recover the same against normal income tax within the statutory time frame which is reviewed at each Balance Sheet Date.

2.17 **Provisions**

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Notes forming part of Standalone Financial Statements

2.18 **Operating Segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decisionmaker (CODM). The CODM is responsible for allocating resources and assessing performance of the operating segments.

Based on such the Company operates in two operating segments, viz. Petrochemicals and Others.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial information. Inter-segment revenue is reported on the basis of transactions which are primarily market led. Segment results represent profits before finance charges, unallocated common expenses and taxes.

"Unallocated common Expenses" include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole and are not attributable to segments.

3. **Use of estimates and judgements**

The preparation of financial information in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial information and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A. **Judgements in applying accounting policies**

The judgements, apart from those involving estimations (see para B below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial information pertains to useful life of intangible assets acquired in merger.

B. **Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

(I) **Useful lives of property, plant and equipment and intangible assets:**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

(ii) **Fair value measurements and valuation processes:**

Some of the Company ' s assets and liabilities are measured at fair value for financial reporting purposes. Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability. The Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial information.

(iii) **Actuarial Valuation:**

The determination of Company ' s liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive

Notes forming part of Standalone Financial Statements

income.Such valuation depends upon certain key assumptions like inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

(iv) **Claims, Provisions and Contingent Liabilities:**

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management 's assessment of specific circumstances of each dispute and relevant external advice, management provides for the liability at its best estimate. Such assessments are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

(v) **Provision against obsolete and slow-moving inventories**

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Company estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Company carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Company reassesses the estimation on each balance sheet date.

(vi) **Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model on financial assets.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

(vii) **Recognition of Government Incentive**

Note 31.2 describes recognition of government incentives. In making the judgement, post implementation of Goods and Service Tax and pending formulation of the related rules etc. by the Government of West Bengal, the Company considered the detailed criteria for recognition of government incentives as set out in Ind AS 20- Accounting for Government Grants and Disclosure of Government Assistance. Following certain positive developments and a legal opinion in support of its assessment, the Company has estimated and recognised the government incentive receivable (as per the terms of the Share Purchase Agreement) from the Government based on State Goods and Service Tax collected and deposited till the reporting date.

(viii) **Leases**

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

4. Property, Plant and Equipment (PPE)

Particulars	As at 31st March 2023	As at 31st March 2022
Net Carrying amounts of :		
Buildings	**2,814.50**	2,200.58
Plant and Equipment	**70,183.34**	72,130.71
Electrical Equipment	**47.76**	58.93
Furniture and Fixtures	**96.73**	120.54
Computers and Peripherals	**96.72**	139.55
Office Equipment	**17.44**	17.55
Vehicles	**49.36**	45.45
	73,305.85	74,713.31

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	As at 1st April 2021	Additions	Withdrawals and Adjustments	As at 31st March 2022	Additions	Withdrawals and Adjustments	As at 31st March 2023
Gross Carrying Amount- Cost/ Deemed Cost							
Buildings	2,002.55	535.53	—	2,538.08	**747.92**	**—**	**3,286.00**
Plant and Equipment	89,633.82	3,756.39	0.03	93,390.18	**5,816.64**	**381.93**	**98,824.89**
Electrical Equipment	109.00	1.99	—	110.99	**1.33**	—	**112.32**
Furniture and Fixtures	201.17	7.92	—	209.09	**0.19**	**0.03**	**209.25**
Computers and Peripherals	263.45	53.30	—	316.75	**2.35**	—	**319.10**
Office Equipment	33.94	3.29	0.06	37.17	**6.49**	**0.04**	**43.62**
Vehicles	59.23	9.26	—	68.49	**12.18**	—	**80.67**
Total	92,303.16	4,367.68	0.09	96,670.75	**6,587.10**	**382.00**	**1,02,875.85**

Particulars	As at 1st April 2021	Charge for the year	Elimination on disposals of assets	As at 31st March 2022	Charge for the year	Elimination on disposals of PPE	As at 31st March 2023
Depreciation							
Buildings	220.66	116.84	—	337.50	**134.00**	**—**	**471.50**
Plant and Equipment	13,509.38	7,750.11	0.02	21,259.47	**7,518.72**	**136.64**	**28,641.55**
Electrical Equipment	39.13	12.93	—	52.06	**12.50**	**—**	**64.56**
Furniture and Fixtures	64.99	23.56	—	88.55	**23.99**	**0.02**	**112.52**
Computers and Peripherals	130.94	46.26	—	177.20	**45.18**	—	**222.38**
Office Equipment	13.66	6.00	0.04	19.62	**6.57**	**0.01**	**26.18**
Vehicles	15.95	7.09	—	23.04	**8.27**	**—**	**31.31**
Total	13,994.71	7,962.79	0.06	21,957.44	**7,749.23**	**136.67**	**29,570.00**

Notes:-

4.1 For details of PPE given as security against borrowing - Refer Note 21.1 and 26.1

4.2 The Company has been following the cost model for recognition of its assets. During the financial year 2018-19, the Company undertook a strategic planned shutdown, during which due to extensive refurbishments, the production capacity of the Plant and Equipment increased. Consequently, management decided to reflect the fair value of plant and equipment and accordingly adopted revaluation model for such class of assets as at the end of said year. Accordingly, the plant and equipment were fair valued on 31st March 2019 by an independent valuer.

The Company had adopted revaluation model for recognition of its Buildings, effective 1st April 2019 to reflect the fair value thereof in the financial statements based on valuation done by an independent valuer. This has resulted in net decrease in the carrying value of buildings by Rs 499.48 million (increase of Rs. 36.58 million in certain buildings and decrease of Rs.536.06 million in the rest of the buildings). All revaluation increases has been recognised in Other Comprehensive Income and accumulated in Other Equity under the heading Revaluation Surplus (Note 20) and the revaluation decrease, has been charged off in the Statement of Profit and Loss, in the relevant financial year.

4.3 In respect of Plant and Equipment revalued on 31st March 2019 and Buildings revalued on 1st April 2019, related accumulated depreciation as on the respective dates has been eliminated against the gross carrying amount of that class of asset.

4.4 The carrying amounts that would have been recognised had the assets under Plant and Equipment and Buildings been carried under the cost model are Rs 42,144.99 million (Previous Year - Rs 40,094.05 million) and Rs 3,486.07 million (Previous Year - Rs 2,835.07 million) respectively as against Rs 70,183.34 million (Previous Year - Rs 72,130.71 million) and Rs 2,814.50 million (Previous Year - Rs 2,200.58 million) recognised under the revaluation model.

4.5 All immoveable properties are held in the name of the Company.

4.6. The Company does not hold any Benami Property and does not have any proceedings initiated or pending for holding banami property under the benami Transactions (Prohibitions) Act, 1988 (45 of 1988).

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	As at 31st March 2023	As at 31st March 2022
5. Capital Work-in-Progress		
a. Balance as at the beginning of the year	**6,771.10**	4,591.54
b. Additions during the year	**1,171.39**	5,763.24
c. TotalCapital Work-in-Progress : c = (a+b)	**7,942.49**	10,354.78
d. Less: Capitalised as Property, Plant and Equipments	**6,048.84**	3,555.51
e. Less : Provision for CWIP items	**28.17**	28.17
f. Less: Sale to HPL Industrial Estates Limited (subsidiary)	**21.74**	—
g. Balance as at the end of the year : g = (c-d-e-f)	**1,843.74**	6,771.10

	Amount in CWIP for a period of				
C W I P	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
5.1 CWIP ageingschedule as at 31st March 2023					
Projects in progress	197.92	1,049.10	282.94	313.78	**1,843.74**

For Capital-work-in-progress, whose completion is overdue or has execeeded its cost compared to its original plan, the completion schedule is as below :

	To be completed in				
C W I P	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Pipe Conveyor System	596.35	—	—	—	**596.35**
HDPE Warehouse	26.40	—	—	—	**26.40**
Magnetic LG of Polymer Plants	0.70	—	—	—	**0.70**
LPG PipeLine	39.36	—	—	—	**39.36**
Jetty Pipeline Outer Terminal 2 (OT2)	21.73	—	—	—	**21.73**
Mov Actuators PGN & HPG Tank	4.30	—	—	—	**4.30**
Rim Seal Fire protect in Naphtha tank E	11.00	—	—	—	**11.00**
	699.84	—	—	—	**699.84**

5.2 CWIP ageing schedule as at 31st March 2022:

	Amount in CWIP for a period of				
C W I P	**Less tha 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	2,883.69	2,298.30	1,114.27	474.83	**6,771.10**

Notes forming part of Standalone Financial Statements

Rs. in million

For Capital-work-in-progress, whose completion is overdue or has execeeded its cost compared to its original plan, the completion schedule is as below :

	To be completed in				
C W I P	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Coal furnance boiler	4,512.79	—	—	—	**4,512.79**
Butene 1 - pipeline	395.08	—	—	—	**395.08**
DJ-2	330.03	—	—	—	**330.03**
HDPE Warehouse	26.40	—	—	—	**26.40**
Bore Wells	33.49	—	—	—	**33.49**
Magnetic LG of Polymer Plants	0.70	—	—	—	**0.70**
	5,298.49	—	—	—	**5,298.49**

Particulars	As at 31st March 2023	As at 31st March 2022
6. Right-of-use Assets (ROUA)		
Net Carrying amounts of :		
Land (Refer Note : 6.1)	**22,480.60**	**22,748.54**
Buildings	**326.60**	32.46
	22,807.20	22,781.00

Particulars	As at 1st April 2021	Additions	Withdrawals and Adjustments	As at 31st March 2022	**Additions**	**Withdrawals and Adjustments**	**As at 31st March 2023**
Gross Carrying Amount							
Land	23,649.58	21.06	—	23,670.64	**59.91**	**—**	**23,730.55**
Buildings	528.26	61.38	377.57	212.07	**371.81**	**205.52**	**378.36**
Plant and Equipment	2,491.83	—	2,491.83	—	—	—	—
Total	26,669.67	82.44	2,869.40	23,882.71	**431.72**	**205.52**	**24,108.91**

Particulars	As at 1st April 2021	Additions	Withdrawals and Adjustments	As at 31st March 2022	**Additions**	**Withdrawals and Adjustments**	**As at 31st March 2023**
Accumulated Depreciation and Impairment							
Land	614.51	307.59	—	922.10	**327.85**	**—**	**1,249.95**
Buildings	344.31	134.98	299.68	179.61	**77.67**	**205.52**	**51.76**
Plant and Equipment	498.09	455.79	953.88	—	—	—	—
Total	1,456.91	898.36	1,253.56	1,101.71	**405.52**	**205.52**	**1,301.71**

Notes forming part of Standalone Financial Statements

Rs. in million

6.1 On April 1, 2019, the Company adopted Ind AS 116- Leases and applied the same to all lease contracts outstanding as at April 1, 2019. The Company has applied a single discount rate to a portfolio of leases of similar assets in similar economic environment. Consequently, the Company has recorded the lease liability at the present value of remaining lease payments, discounted using the incremental borrowing rate at the date of initial application and corresponding Right-of-use (ROU) asset at the same amount. For subsequent additions to ROU assets also, the incremental borrowing rate as applicable on the date of recognition has been considered. The Company has also decided not to recognize RoU assets and lease liabilities for leases with less than twelve months of lease term and low-value assets on the date of initial application. Post adoption of Ind AS 116, land value of Rs 11,512.47 million as on 31st March, 2019 (net of accumulated depreciation of Rs 577.76 million) has been reclassified from Property, Plant and Equipment to Right-of-use Asset as on 1st April 2019.

6.2 Comprising of Leasehold Land amounting to Rs 317.82 million (Previous Year - Rs 318.15 million) being value of land acquired at Salt Lake on 999 years lease term and Rs 22,162.78 million (Previous Year - Rs 22,430.39 million) being value of land acquired at Haldia on 99 years lease term.

6.3 The Company had adopted revaluation model for Land effective 1st April 2019 to reflect the fair value of those assets in the financial statements based on valuations done by a registered valuer. This resulted in net increase in carrying value of Land (Leasehold) by Rs 12,101.44 million as on 1st April 2019. Revaluation increase was recognised in Other Comprehensive Income and accumulated in Other Equity under the heading Revaluation Surplus (Note 20) and the revaluation decrease, had been charged off in the Statement of Profit and Loss, in the financial year 2019-20.

6.4 The carrying amounts that would have been recognised had the assets under Land been carried under the cost model is Rs 10,905.37 million (Previous Year Rs 11,064.69 million).

6.5(a) The following is the break-up of current and non-current lease liabilities as at 31st March, 2022:

Particulars	Land	Building	Plant & Equipment	Total
Current lease liabilities (Refer Note: 27)	0.01	31.58	—	**31.59**
Non-current lease liabilities (Refer Note: 22)	56.70	4.00	—	**60.70**
Total	**56.71**	**35.58**	**—**	**92.29**

6.5(b) The following is the break-up of current and non-current lease liabilities as at 31st March, 2023:

Particulars	Land	Building	Plant & Equipment	Total
Current lease liabilities (Refer Note: 27)	8.99	70.29	—	**79.28**
Non-current lease liabilities (Refer Note: 22)	74.78	265.78	—	**340.56**
Total	**83.77**	**336.07**	**—**	**419.84**

6.6 The following is the movement in lease liabilities during the year ended 31st March, 2023:

Particulars	Land	Building	Plant & Equipment	Total
Balance as at April 1, 2021	35.67	207.78	2,127.33	**2,370.79**
Additions	21.06	61.38	—	**82.44**
Finance cost accrued during the year	4.81	13.68	142.90	**161.39**
Reversal of lease liability on termination of lease contract	—	88.28	1,738.93	**1,827.21**
Payment of lease liabilities	4.82	158.99	531.30	**695.11**
Balance as at March 31, 2022	56.72	35.57	—	**92.29**
Additions	59.91	371.81	—	**431.72**
Finance cost accrued during the year	9.66	15.55	—	**25.21**
Payment of lease liabilities	42.51	86.87	—	**129.38**
Balance as at March 31, 2023	**83.78**	**336.06**	**—**	**419.84**

Notes forming part of Standalone Financial Statements

Rs. in million

6.7(a) The table below provides details regarding the contractual maturities of lease liabilities as at 31st March, 2022 on an undiscounted basis:

Particulars	Land	Building	Plant & Equipment	Total
Less than one year	4.82	32.80	—	**37.62**
One to five years	19.29	4.42	—	**23.71**
More than five years	327.93	—	—	**327.93**
Total	**352.04**	**37.22**	**—**	**389.26**

6.7(b) The table below provides details regarding the contractual maturities of lease liabilities as at 31st March, 2023 on an undiscounted basis:

Particulars	Land	Building	Plant & Equipment	Total
Less than one year	16.30	70.29	—	**86.59**
One to five years	49.68	265.78	—	**315.46**
More than five years	344.14	—	—	**344.14**
Total	**410.12**	**336.07**	**—**	**746.19**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

6.8(a) Amounts recognised in Statement of Profit and Loss for the year ended 31st March, 2022:

Particulars	Land	Building	Plant & Equipment	Total
Depreciation expense on right-of-use assets	307.59	134.98	455.79	**898.36**
Interest expense on lease liabilities	4.81	13.68	142.90	**161.39**
Expense relating to short-term leases	10.26	118.40	18.04	**146.70**

6.8(b) Amounts recognised in Statement of Profit and Loss for the year ended 31st March, 2023:

Particulars	Land	Building	Plant & Equipment	Total
Depreciation expense on right-of-use assets	328.86	77.66	—	**405.52**
Interest expense on lease liabilities	9.65	15.56	—	**25.21**
Expense relating to short-term leases	38.65	117.00	—	**155.65**

7. Other Intangible Assets

Particulars	As at 31st March 2023	As at 31st March 2022
Net Carrying amounts of :		
Customer Base	**6,286.68**	9,566.68
Technical Know How	**4,166.83**	6,340.83
Brand	**2,311.50**	3,517.50
Technology Fees	**32.35**	37.50
Computer Software	**30.30**	36.65
	12,827.66	19,499.16

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	As at 1st April 2021	Additions	As at 31st March 2022	Additions	As at 31st March 2023
Gross Carrying Amount					
Customer Base	32,526.67	—	32,526.67	—	**32,526.67**
Technical Know How	21,558.83	—	21,558.83	—	**21,558.83**
Brand	11,959.50	—	11,959.50	—	**11,959.50**
Technology Fees	113.17	—	113.17	—	**113.17**
Computer Software	73.14	1.50	74.64	**8.17**	**82.81**
Total	66,231.31	1.50	66,232.81	**8.17**	**66,240.98**

Particulars	As at 1st April 2021	Amortisation expense	As at 31st March 2022	Amortisation expense	As at 31st March 2023
Accumulated Amortisation					
Customer Base	19,679.99	3,280.00	22,959.99	**3,280.00**	**26,239.99**
Technical Know How	13,044.00	2,174.00	15,218.00	**2,174.00**	**17,392.00**
Brand	7,236.00	1,206.00	8,442.00	**1,206.00**	**9,648.00**
Technology Fees	70.52	5.15	75.67	**5.15**	**80.82**
Computer Software	23.60	14.39	37.99	**14.52**	**52.51**
Total	40,054.11	6,679.54	46,733.65	**6,679.67**	**53,413.32**

8 Intangibles Under Development:

Particulars	As at 31st March 2023	As at 31st March 2022
a. Balance as at the beginning of the year	**9.45**	5.80
b. Add: Additions during the year	**2.10**	5.93
c. Total	**11.55**	11.73
d. Less: Capitalised during the year (Refer Note 4 and 7)	**7.89**	2.28
e. Intangibles under development pending allocation as on 31st March: e=(c-d)	**3.66**	9.45

8.1 Intangibles Under Development ageing schedule as at 31st March 2023:

	Amount in Intangibles Under Development for a period of				
Intangibles Under Development	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	2.10	0.74	0.82	—	**3.66**

8.2 Intangibles Under Development ageing schedule as at 31st March 2022:

	Amount in Intangibles Under Development for a period of				
Intangibles Under Development	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	4.23	1.31	3.91	—	**9.45**

Notes forming part of Standalone Financial Statements

Rs. in million

9 Non Current Investments

Particulars	As at 31st March 2023	As at 31st March 2022
A Investments carried at Cost		
Investments in unquoted Equity Instruments - fully paid		
Subsidiary Companies :		
Haldia Riverside Estates Limited		
1,75,00,007 Equity Shares (31st March 2022 : 1,75,00,007) of Rs 10/- each, fully paid	**6,155.10**	6,155.10
HPL Global Pte Limited		
119,188,034 (31st March 2022 : 44,188,034) Equity Shares of USD 1 each fully paid (Refer Note 9.2(b))	**9,771.25**	3,604.99
HPL Go Private Limited		
10,000 (31st March 2022 : 10,000) Equity Shares of Rs 10/- each, fully paid	**0.10**	0.10
Advanced Performance Materials Private Limited		
4,00,10,000 (31st March 2022: 4,00,10,000) Equity Shares of Rs 10/- each, fully paid	**1,000.10**	1,000.10
SIO2P Private Limited (formerly known as OTOC India Private Limited)		
10,000 (31st March 2022 : 10,000) Equity Shares of Rs 10/- each, fully paid	**0.10**	0.10
HPL Technologies BV., Netherlands (HTS) -		
24,300,000 (31st March 2022 : 22,300,000) Equity Shares of USD 10 each fully paid (Refer Note 9.2)	**17,991.96**	16,452.70
HPL Industrial Estates Limited		
10,000 (Previous Year NIL) Equity Shares of Rs 10/- each, fully paid	**0.10**	—
HPL Industrial Parks Limited		
10,000 (Previous Year NIL) Equity Shares of Rs 10/- each, fully paid	**0.10**	—
Adplus Chemicals and Polymers Private Limited		
10,00,000 (Previous Year NIL) Equity Shares of Rs 10/- each, fully paid	**10.00**	—
Associate:		
TCG Centres For Research And Education In Science And Technology (TCG Crest)		
[Formerly: Global Institute Of Science And Technology (GIST)]		
50,000 (31st March 2022 : 50,000) Equity Shares of Rs 10/- each	**0.50**	0.50
TOTAL INVESTMENTS CARRIED AT COST [A]	**34,929.31**	27,213.59
B Investment carried at Amortised Cost		
Investment in Quoted Non Convertible Bonds (Refer Note 9.1)	**8,003.48**	5,478.15
INVESTMENTS CARRIED AT AMORTISED COST [B]	**8,003.48**	5,478.15
C Investments carried at fair value through Profit and Loss		
Unquoted Investments in Equity Instruments- fully paid		
Haldia Integrated Development Agency Limited		
5,000 (31st March 2022 : 5,000) Equity Shares of Rs 10/- each	**0.05**	0.05
Investments in Preference Shares - fully paid		
Subsidiary Company		
HPL Global Pte Limited		
50,000,000 (31st March 2022: 50,000,000) 5 years Singapore GSec + 125 bps Cumulative Redeemable Preference Shares of USD 1 each, fully paid (Refer Note 9.2(a))	**4,036.75**	3,756.31
NIL (31st March 2022: 75,000,000) 3% Redeemable Cumulative Optionally Convertible Preference Shares of USD 1 each, fully paid (Refer Note 9.2(b))	—	5,414.32
TOTAL INVESTMENTS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS [C]	**4,036.80**	9,170.68
TOTAL INVESTMENTS (A+B+C)	**46,969.59**	41,862.42

Investment in Bonds are under lien with lenders as Margin Money for Letter of Credit and Bank Guarantee utilised to the extent of Rs 4,460.00 million (31st March 2022 - Rs 1,450.00 million).

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	As at 31st March 2023	As at 31st March 2022
Aggregate Value of Quoted Investments	**8,003.48**	5,478.15
Aggregate Market Value of Quoted Investments	**7,888.99**	5,545.51
Aggregate Value of Unquoted Investments	**38,966.11**	36,384.27

Particulars	As at 31st March 2023		As at 31st March 2022	
	Units	Cost	Units	Cost
9.1 Investment in Quoted Non Convertible Bonds				
7.17% Government Of India Bonds 2028	**1,75,00,000**	**1,702.59**	1,75,00,000	1,702.59
7.95% LIC Housing Finance Limited	**35,00,000**	**355.21**	35,00,000	355.21
6.68% Government of India Bonds 2031	**25,00,000**	**260.30**	25,00,000	260.30
9.19% LIC Housing Finance Limited	**—**	**—**	5,00,000	53.06
6.17% LIC Housing Finance Limited 2026	**25,00,000**	**249.51**	25,00,00	249.51
7.79% LIC Housing Finance Limited 2024	**25,00,000**	**263.50**	25,00,000	263.50
7.18% Maharashtra State Development Loan 2029	**25,00,000**	**246.50**	25,00,000	246.50
5.47% Power Finance Corporation Bonds 2023	**—**	**—**	35,00,000	350.66
5.69% Rural Electrification Corporation Limited Bond (Series 202-B)	**—**	**—**	50,00,000	503.34
5.94 %Rural Electrification Corporation Limited Bond (Series 205-B)	**50,00,000**	**489.46**	25,00,000	249.23
6 % Housing Development Finance Corporation Limited Bonds (Series - Z001)	**1,00,00,000**	**984.92**	50,00,000	497.35
9.05 % Housing Development Finance Corporation Limited Bonds (Series - U004)	**—**	**—**	3,00,000	31.78
8.35% Housing Development Finance Corporation Limited Bonds	**30,00,000**	**326.44**	30,00,000	326.44
5.78% Housing Development Finance Corporation Limited Bonds 2025	**35,00,000**	**344.73**	35,00,000	344.73
9.24% Housing Development Finance Corporation Limited Bonds 2024	**4,00,000**	**43.95**	4,00,000	43.95
7.52% Rural Electrification Corporation Limited Bond 2026	**15,00,000**	**155.80**	—	—
5.9943% LIC Housing Finance Limited 2025	**25,00,000**	**247.00**	—	—
6.50% Power Finance Corporation Bond 2025	**25,00,000**	**245.52**	—	—
7.90% LIC Housing Finance Limited Bond 2027	**75,00,000**	**753.99**	—	—
7.40% Housing Development Finance Corporation Limited Bonds 2025	**50,00,000**	**499.80**	—	—
7.35% NABARD 2025	**50,00,000**	**501.49**	—	—
6.43% Housing Development Finance Corporation Limited Bonds 2025	**24,00,000**	**232.76**	—	—
7.32% Rural Electricification Corporation Ltd Bond 2026	**10,00,000**	**100.00**	—	—
		8,003.48		5,478.15

9.2 The wholly owned subsidiary was used to facilitate the acquisition of the Lummus Technology business (which provides proprietary process technology licenses, associated engineering services, catalysts and engineered products and uses the Lummus brand name) from McDermott International (MDR) through a Joint Venture arrangement with Rhone Capital, USA (joint-venturer), for a total consideration of USD 2,612.55 million. Haldia Petrochemical's share of the purchase consideration was paid by equity contribution and external borrowings. As per the related loan agreement, HTS cannot dilute its stake in the above mentioned Joint Venture arrangement without the permission of the lender.

9.2(a) The tenure of investment in 5 years Singapore GSec + 125 bps cumulative redeemable preference shares of USD 50 million (equivalent INR of 4,036.75 million as of 31st March 2023) of wholly owned subsidiary, HPL Global Pte Limited, is till 4th December, 2024.

9.2(b) In current year, the Company has exercised its option for converting its investment in redeemable cumulative convertible preference shares of $ 75 million in its wholly owned subsidiary company, HPL Global Pte Limited, to equity shares of the company at par value of $ 1 per share based on valuation done by a registered valuer. The Company has exercised its option to increase the equity base of its subsidiary company to support the company's plan for business expansion.

Notes forming part of Standalone Financial Statements

Rs. in million

9.3 Investments in Associates

(a) Break-up of investments in associates

Particulars	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	Amount	Number of Shares	Amount
Unquoted investments in equity shares				
At cost	**50,000**	**0.50**	50,000	0.50
Total	**50,000**	**0.50**	50,000	0.50
Aggregate carrying amount of unquoted investments	**50,000**	**0.50**	50,000	0.50

The Company holds 50% in equity share capital of TCG Crest which has been registered under Section 8 of the Companies Act, 2013.

Particulars	Non-Current		Current	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
10 Loans (Unsecured, considered good unless specified otherwise)				
Loans and Advances to related parties (Refer Note 10.1 and 41)				
Loans - Secured, Considered good	**1,000.00**	—	—	—
Loans - Unsuecured, Considered good	**1,272.87**	1,301.69	**28.81**	102.37
(A)	**2,272.87**	1,301.69	**28.81**	102.37
Others:				
Loans to employees - Unsecured, Considered good	**1.23**	1.58	1.52	0.72
(B)	**1.23**	1.58	**1.52**	0.72
Total (A+B)	**2,274.10**	1,303.27	**30.33**	103.09

Particulars	Non-Current		Current	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
10.1 Loans to related parties:				
TCG Urban Infrastructure Holdings Private Limited (Refer Note: 10.2)	**1,000.00**	—	—	—
Haldia Riverside Estates Limited	**163.43**	192.25	**28.81**	26.74
HPL Go Private Limited	—	—	—	75.63
Advanhced Performance Materials Private Limited	**1,109.44**	1,109.44	—	—
	2,272.87	1,301.69	28.81	102.37

10.2 Loan to TCG Urban Infrastructure Holdings Pvt Ltd (TCGUIH) for Rs 1,000 million given for corporate purposes on 15th March, 2023 repayable within 60 months from the date of disbursement. The Loan is secured by pledge of 91,317 equity shares of Bengal Intelligent Parks Limited held by TCGUIH.

10.3 The company has not advanced or given any loan or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

10.4 The loans to subsidiary companies have been given to meet their long-term capital requirement on terms and conditions decided on arm's length basis.

Type of Borrow	Current Period		Previous Period	
	Amount outstanding	% of Total	Amount outstanding	% of Total
Related Parties	**2,301.68**	**99.88**	1,404.06	99.84
	2,301.68	**99.88**	1,404.06	99.84

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars		Non-Current		Current	
		As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
11 Other Financial Assets					
Recoverable from Related Parties	(A)	—	—	**349.34**	98.13
Security Deposits					
Considered good		**38.58**	37.52	**1.72**	1.72
Considered Doubtful		—	—	—	0.31
		38.58	37.52	**1.72**	2.03
Less: Allowance for doubtful deposit		—	—	—	(0.31)
	(B)	**38.58**	37.52	**1.72**	1.72
Advances					
Considered good		—	—	—	0.09
Considered Doubtful		—	—	—	8.86
		—	—	—	8.95
Less: Allowance for doubtful advances		—	—	—	(8.86)
	(C)	—	—	—	0.09
Interest accrued on fixed deposits	(D)	**62.12**	2.31	**59.03**	14.69
Interest accrued on Quoted Non Convertible Bonds	(E)	—	—	**304.00**	172.52
Interest accrued on loans to related parties	(F)	—	—	—	0.73
Dividend Receivablefrom subsidiaries	(G)	—	—	**355.19**	262.23
Receivable from Gratuity Fund	(H)	**10.57**	—	—	—
Bank deposits with more than 12 months maturity [Refer Note 11.1]	(I)	**9,450.25**	26.02	—	—
Forward Contract securing Trade Receivables net off Payables	(J)	—	—	**3.01**	—
Options Contract entered for securing trade payables net of receivables	(K)	—	—	**4.12**	—
Interest Rate Swap securing bond interest	(L)	—	—	**4.21**	—
Other Receivables	(M)	—	—	**35.03**	59.68
Total (A+B+C+D+E+F+G+H+I+J+K+L+M)		**9,561.52**	65.85	**1,115.65**	609.79

11.1 Under lien with lenders as Margin Money for Letter of Credit and Bank Guarantee utilised to the extent of Rs 6,850.00 million (31st March 2022: Rs 19.80 million)

12. Income Tax Assets (Net)

Particulars	As at 31st March 2023	As at 31st March 2022
Advance income-tax (Net of provisions)	**415.93**	1,745.24
	415.93	1,745.24

A Income Tax Expense/ (Benefits)

The Company is subject to income tax in India on the basis of standalone financial statements. As per the Income Tax Act, the Company is liable to pay income tax which is the higher of regular income tax payable and the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT).

MAT paid in excess of regular income tax during a year can be carried forward for a period of 15 years and can be set-off against future tax liabilities.

Taxation Laws (Amendment) Act, 2020 has introduced Section 115BAB effective financial year 2019-2020 which provides an option to the domestic companies to pay income tax at lower rate of 22% (against regular income tax rate of 30%) with restriction on certain allowances and benefits available under regular tax. Comparative income tax positions under both options are reviewed by the management on an annual basis, taking into consideration the company's current operational results, future business plan and other relevant factors based on which the company will switch over to lower rate of tax at appropriate time.

Notes forming part of Standalone Financial Statements

Rs. in million

12. Income Tax Assets (Net)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit before tax	**(10,114.38)**	4,223.03
Statutory Income Tax Rate	**34.944%**	34.944%
Expected income tax expense at statutory income tax rates	**(3,534.37)**	1,475.70
(i) Items not deductible *	**14.18**	3.70
(ii) Effect of change in tax rates	—	(45.82)
(iii) On account of adjustments of brought forward tax losses and unabsorbed depreciation based on assessment of earlier years	**(325.20)**	—
(iv) Others	**(9.07)**	(5.68)
Total Tax Expense recognised in Statement of Profit and Loss	**(3,854.46)**	1,427.90

* Items not deductible mainly includes permanent differences on account of Ind AS Adjustments of the Income Tax Act, 1961 (IT Act).

B Components of Deferred Tax Assets and (Liabilities) as at 31st March, 2023 is as below:

Particulars	Balance as at 1st April, 2022	Recognised in Statement of Profit and Loss	Recorded in Other Comprehensive Income	Balance as at 31st March, 2023
Deferred Tax Assets				
Unabsorbed Depreciation carried forward	8,988.28	836.38	—	**9,824.66**
Provisions	478.59	(261.86)	—	**216.73**
Disallowances u/s 43B of IT Act	143.65	(60.98)	(3.46)	**79.21**
Right-of-use asset net of lease liability	1.62	(1.90)	—	**(0.28)**
Devaluation of Building	145.74	(13.87)	—	**131.87**
	9,757.88	497.77	(3.46)	**10,252.19**
Deferred Tax Liabilities				
Fiscal allowances on Property, plant and equipment and intangible assets	29,082.38	(2,979.37)	—	**26,103.31**
Other timing differences	796.68	(377.32)	—	**419.36**
	29,879.06	(3,356.69)	—	**26,522.37**
Net deferred tax assets / (liabilities) [a]	(20,121.18)	3,854.46	(3.46)	**(16,270.18)**
MAT Credit Entitlement				
MAT Credit Receivable	5,348.46	(120.65)	—	**5,227.81**
Total MAT Credit Receivable [b]	**5,348.46**	**(120.65)**	**—**	**5,227.81**
Net deferred tax assets / (liabilities) [c]=[a]+[b]	**(14,772.72)**	**3,733.81**	**(3.46)**	**(11,042.37)**

Notes forming part of Standalone Financial Statements

Rs. in million

C Components of Deferred Tax Assets and (Liabilities) as at 31st March, 2022 is as below:

Particulars	Balance as at 1st April, 2021	Recognised in Statement of Profit and Loss	Recorded in Other Comprehensive Income	Balance as at 31st March, 2022
Deferred Tax Assets				
Unabsorbed Depreciation carried forward	11,617.07	(2,627.79)	—	**8,988.28**
Provisions	443.95	34.64	—	**478.59**
Disallowances u/s 43B of IT Act	2,210.01	(2,077.59)	11.23	**143.65**
Right-of-use asset net of lease liability	55.30	(53.68)	—	**1.62**
Devaluation of Building	159.60	(13.86)	—	**145.74**
	14,484.93	(4,738.28)	11.23	**9,757.88**
Deferred Tax Liabilities				
Fiscal allowances on Property, plant and equipment and intangible assets	32,506.51	(3,424.13)	—	**29,082.38**
Other timing differences	751.63	45.05	—	**796.68**
	33,258.14	(3,379.08)	—	**29,879.06**
Net deferred tax assets / (liabilities) [a]	(18,773.21)	(1,359.20)	11.23	**(20,121.18)**
MAT Credit Entitlement				
MAT Credit Receivable	5,078.46	270.00	—	**5,348.46**
Total MAT Credit Receivable [b]	**5,078.46**	**270.00**	**—**	**5,348.46**
Net deferred tax assets / (liabilities) [c]=[a]+[b]	**(13,694.75)**	**(1,089.20)**	**11.23**	**(14,772.72)**

The Company has following unutilised MAT Credit under the Income Tax Act,1961 for which deferred tax assets has been recognised in the Balance Sheet as at 31st March, 2023:

Financial Year	Amount Rs. in million	Expiry Date
2016-17	**2,511.87**	2031-32
2017-18	**169.02**	2032-33
2020-21	**2,276.92**	2035-36
2021-22	**270.00**	2036-37
Total	**5,227.81**	

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	As at 31st March 2023		As at 31st March 2022	
13 Inventories				
Raw Materials		**7,007.68**		8,649.86
Work in progress		**364.49**		431.02
Finished Goods #		**1,523.40**		3,287.09
By products - Chemicals		**2,041.17**		1,892.62
Stores and Spares	**3,202.11**		2,996.81	
Less : Provision for non-moving / obsolete items (net)	**(75.07)**	**3,127.04**	(280.55)	2,716.26
Loose Tools		**17.24**		17.85
Chemicals, Catalysts and Additives		**1,108.84**		1,056.85
Packing Materials	**29.67**		23.84	
Less : Provision for non-moving / obsolete items (net)	**(0.09)**	**29.58**	(0.09)	23.75
Trading Goods		**53.70**		0.16
Total		**15,273.14**		18,075.46

At the period ends provision for dimunition relating to net realisable value lower than cost has been created aggregating to Rs * million (31st March 2022 : *)

* Amount is below the rounding off norm adopted by the Company.

13.1 The above includes Stock-In-Transit as under:

Particulars	As at 31st March 2023	As at 31st March 2022
Raw Materials	**3,006.66**	—
Finished Goods	**243.95**	—
Stores and Spares	**472.24**	119.87
Chemicals, Catalysts and Additives	**103.41**	109.89
Total	**3,826.26**	229.76

14 Current Investments

Particulars	As at 31st March 2023	As at 31st March 2022
Investments carried at fair value through Statement of Profit and Loss		
Quoted		
Investment in Mutual Fund	**1,460.41**	—
Unquoted		
Investment in Mutual Fund	**10,756.60**	22,651.83
Investment in Alternative Investment Fund	**1,254.67**	1,267.87
Investment carried at Amortised Cost		
Quoted		
Investment in Non Convertible Bonds	**938.84**	565.26
Total	**14,410.52**	24,484.96

Investment in Mutual Fund are under lien with lenders as Margin Money for Letter of Credit and Bank Guarantee utilised to the extent of Rs.5,370.00 million (31st March 2022 - Rs.11,350.00 million).

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	As at 31st March 2023		As at 31st March 2022	
	Units	NAV /Market	Units	Market Value
14.1 Investment in Mutual Fund				
Quoted				
Kotak Nifty SDL APR 2027 Index Fund Dir-Growth	**1,21,84,500.00**	**126.33**	—	—
SBI Fixed Maturity Plan (FMP)- Series 66 (1361 Days) Direct Growth	**5,00,20,821.32**	**524.96**	—	—
SBI Fixed Maturity Plan (FMP)- Series 75 (366 Days) Direct Growth	**5,00,14,927.49**	**508.48**	—	—
Franklin India Savings Fund- Direct Plan- Growth	**68,70,462.42**	**300.64**	—	—
		1,460.41	—	—
Unquoted:				
Axis Overnight Fund Direct growth	—	—	7,58,678.11	852.63
Birla Sun Life Money Manager Fund - Growth - Direct Plan Floating	—	—	41,31,531.19	1,234.96
Birla Sunlife Corporate Bond Fund - Growth - Direct plan	—	—	91,07,235.48	830.63
Birla Sunlife Overnight Fund - Growth - Direct plan	—	—	87,031.10	100.06
Birla Sunlife Floating Rate Fund - Growth - Direct plan	**8,38,500.00**	**251.20**	—	—
BNP Paribas Liquid Fund	**1,54,191.70**	**400.20**	—	—
Birla Sunlife Low Duration Fund Growth Dir Plan	—	—	4,46,954.69	258.50
Aditya Birla Sunlife CRISIL IBX AAA - Jun 2023	**14,51,65,306.93**	**1,528.81**	—	—
Aditya Birla Sunlife Nifty SDL PSU Bond Sept 2026 Direct Growth	**8,28,52,500.00**	**868.96**	—	—
Canara Robeco Overnight Fund	—	—	90,879.69	100.00
DSP Saving Fund	—	—	1,38,45,789.47	605.93
ICICI Prudential Equity-Arbitrage Fund	—	—	43,80,075.40	501.99
ICICI Prudential Corporate Bond Fund Direct Plan Growth	**3,92,78,039.88**	**1,022.32**	4,94,96,561.47	1,216.94
ICICI Prudential Nifty PSU Bond Plus SDL Sep 2027 40:60 Index DP Growth	**5,01,28,837.68**	**524.90**	—	—
IDFC Money Manager Fund - Growth (Direct Plan)	—	—	2,41,73,459.69	844.15
IDFC Cash Fund- Growth (Direct Plan)	**36,802.73**	**100.05**	—	—
JM Liquid Fund (Formerly Known as JM High Liquidity Fund)	**16,25,485.64**	**100.04**	—	—
KOTAK Equity Arbitrage Fund	—	—	4,41,017.65	500.03
LIC MF Savings Fund	—	—	29,24,300.70	100.70

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	As at 31st March 2023		As at 31st March 2022	
	Units	NAV /Market	Units	Market Value
Nippon India/Reliance Money Market Fund - Direct Growth Plan Growth Option	1,41,272.41	501.17	3,37,037.93	1,129.27
Nippon India/Reliance Low Duration Fund - Direct Growth Plan	4,98,000.00	1,663.47	4,98,000.00	1,578.06
Nippon India/Reliance Floating Rate Fund - Direct Growth Plan	1,28,28,935.00	506.94	4,99,27,998.19	1,884.50
Nippon India Overnight Fund	—	—	87,66,710.71	1,000.45
Nippon India Nifty AAA CPSE Bond Plus SDL	5,07,41,368.59	522.83	—	—
SBI Banking and PSU Fund Direct growth / Treasury Advantage Fund	—	—	13,25,036.42	3,535.24
SBI Short term Debt Fund Direct Plan Growth	—	—	8,11,92,211.13	2,210.81
SBI Overnight Fund Direct Plan Growth	—	—	2,16,689.89	750.04
SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund	9,97,93,495.36	1,039.38	9,97,93,495.36	1,010.45
SBI Fixed Maturity Plan - Series 69	5,00,46,522.31	515.78	—	—
SBI Fixed Maturity Plan - Series 71	4,99,89,931.82	513.46	—	—
TATA Liquid Fund - Direct Plan(G)	42,254.23	150.06	—	—
UTI Floater Fund-Direct Growth	4,12,997.00	547.03	7,98,597.00	1,004.97
UTI-Overnight Fund Direct Growth Plan	—	—	51,581.60	150.10
		10,756.60		22,651.83
14.2 Investment in Alternative Investment Fund				
TCGFund1 Class A	49,42,500.00	575.65	49,42,500.00	552.22
TCGFund1 15122017 Class A	49,48,832.62	499.49	49,48,832.62	636.12
NP1-Capital Trust	—	179.53	—	79.53
		1,254.67		1,267.87

Particulars	As at 31st March 2023		As at 31st March 2022	
	Units	Market Value	Units	Market Value7
14.3 Investment in Non Convertible Bonds				
9.35% Rural Electrification Corporation Limited 15/6/2022	—	—	25,00,000.00	262.27
7.45% Rural Electrification Corporation Limited Bond (Series 155)	—	—	5,00,000.00	50.74
7.09% Rural Electrification Corporation Limited Bond 2022	—	—	25,00,000.00	252.25
9.19% LIC Housing Finance Limited	5,00,000.00	53.06	—	—
5.47% Power Finance Corporation Limited 2023	35,00,000.00	350.66	—	—
5.69% REC Limited Bonds (Series 202-B) 30/09/2023	50,00,000.00	503.34	—	—
9.05% HDFC NCD (Series U-004) 20/11/2023	3,00,000.00	31.78	—	—
		938.84		565.26
		14,410.52		24,484.96

Aggregate Value of Quoted Investments	2,399.25	565.26
Aggregate Market Value of Quoted Investments	2,384.86	555.65
Aggregate Value of Unquoted Investments	12,011.27	23,919.70

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	As at 31st March 2023	As at 31st March 2022
15 Trade Receivables		
(I) Secured, considered good	**917.87**	857.17
(ii) Unsecured, considered good	**3,867.01**	3,087.80
(iii) Credit impaired	**3.85**	4.17
Less: Loss allowance	**(3.85)**	(4.17)
Total	**4,784.88**	3,944.97

15.1 The secured trade receivables are secured by security deposit and bank guarantee held by the Company.

15.2 The Company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Particulars	As at 31st March 2023	As at 31st March 2022
15.3 Receivables due from companies in which our Directors is a Director or a Member		
(I) HPL Go Private Limited	**28.19**	12.70
(ii) Advanced Performance Materials Private Limited (ADPERMA)	**550.88**	848.90
	579.07	861.60

15.4 Trade Receivables ageing schedules as at 31.03.2023:

	Outstanding for following periods from due date of payment					
Intangibles Under Development	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(I) Undisputed Trade receivables — considered good	**4,740.35**	**6.32**	**15.79**	**13.52**	**8.90**	**4,784.88**
(ii) Undisputed Trade Receivables — credit impaired	**—**	**—**	**—**	**—**	**3.85**	**3.85**
Sub-Total:	**4,740.35**	**6.32**	**15.79**	**13.52**	**12.75**	**4,788.73**
Less: Allowances for Credit Impairment	**—**	**—**	**—**	**—**	**3.85**	**3.85**
Total:	**4,740.35**	**6.32**	**15.79**	**13.52**	**8.90**	**4,784.88**

15.5 Trade Receivables ageing schedules as at 31.03.2022:

	Outstanding for following periods from due date of payment					
Intangibles Under Development	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(I) Undisputed Trade receivables — considered good	3,901.55	14.65	19.99	1.14	7.64	3,944.97
(ii) Undisputed Trade Receivables — credit impaired	—	—	—	—	4.17	4.17
Sub-Total:	3,901.55	14.65	19.99	1.14	11.81	3,949.15
Less: Allowances for Credit Impairment	—	—	—	—	4.17	4.17
Total:	**3,901.55**	**14.65**	**19.99**	**1.14**	**7.64**	**3,944.97**

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	As at 31st March 2023	As at 31st March 2022
16 Cash and Cash Equivalents:		
(a) Balances with banks:		
Unrestricted Balances with Bank	**219.30**	882.59
(b) Cash in hand	**0.79**	0.72
(c) Deposits with original maturity not exceeding three months *	**4.50**	2,004.20
Total Cash and Cash Equivalents	**224.59**	2,887.51
Bank balances other than (a) and © above		
Deposits with original maturity beyond three months but not exceeding twelve months (Refer Note 16.1)	**1,500.00**	484.00
	1,500.00	484.00

16.1 Under lien with lenders as Margin Money for Letter of Credit and Bank Guarantee utilised to the extent of Rs NIL (31st March 2022 - Rs 380.20 million)

Particulars		Non-Current		Current	
		As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
17 Other Assets					
Capital advances	**(A)**	**226.68**	218.44	—	—
Security Deposit					
Secured					
Considered good		**42.28**	42.42	—	—
	(B)	**42.28**	42.42	—	—
Advance to Related Parties (Refer Note: 17.1)		—	1,108.81	—	—
		—	1,108.81	—	—
Balances with statutory / government authorities					
Considered good		**305.45**	224.78	**3,032.26**	2,142.16
Considered Doubtful		—	—	**51.80**	68.50
		305.45	224.78	**3,084.06**	2,210.66
Less: Provision for doubtful balances with statutory / government authorities		—	—	**(51.80)**	(68.50)
	(C)	**305.45**	224.78	**3,032.26**	2,142.16
Advances to suppliers of goods and services					
Considered good		—	—	**2,436.43**	2,687.31
Considered Doubtful		—	—	**711.75**	177.21
		—	—	**3,148.18**	2,864.52
Less: Provision for doubtful advances to suppliers		—	—	**(711.75)**	(177.21)
	(D)	—	—	**2,436.43**	2,687.31
Accruals under Duty Exemption Scheme pertaining to exports	**(E)**	—	—	**66.65**	67.40
Accruals under Incentive Scheme	**(F)**	**14,579.34**	10,847.40	—	—
Assets held for disposal		—	—	—	299.98
Less: Provision against Assets held for disposal		—	—	—	(299.98)
	(G)	—	—	—	—
Others					
Prepaid expenses		**3.97**	4.56	**201.94**	197.99
Other Current Assets		—	—	**18.00** -	—
	(H)	**3.97**	4.56	**219.94**	197.99
Total (A+B+C+D+E+F+G+H)		**15,157.72**	12,446.41	**5,755.28**	5,094.86

17.1 Advance given to wholly owned subsidiary subsequently converted to Equity Shares in the current year.

Notes forming part of Standalone Financial Statements

Rs. in million

18 Equity Share Capital

Particulars	As at 31st March 2023	As at 31st March 2022
Authorised Share Capital		
5,900,000,000 (31st March 2022 : 5,900,000,000) Equity Shares of Rs. 10/- each	**59,000.00**	59,000.00
Issued, Subscribed and paid-up share capital		
1,687,938,532 (31st March 2022 : 1,687,938,532) Equity Shares of Rs 10/- each	**16,879.39**	16,879.39
	16,879.39	16,879.39

18.1 Movement in subscribed and paid-up share capital:

Particulars	Number of Shares	Share Capital
Balance as at 1st April, 2021	**1,68,79,38,532.00**	**16,879.39**
Movements	—	—
Balance as at 31st March, 2022	**1,68,79,38,532.00**	**16,879.39**
Movements	—	—
Balance as at 31st March, 2023	**1,68,79,38,532.00**	**16,879.39**

Terms and covenants attached to equity shares:

The Company has one class of equity shares having par value of Rs 10 per share. Each shareholder is eligible for one vote per share held.

The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders at the annual general meeting.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts (if any), in proportion to their shareholding

18.2 Details of shares held by each shareholder holding more than 5%

Particulars	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	% holding of equity shares	Number of Shares	% holding of equity shares
Fully paid equity shares				
Chatterjee Petrochem (Mauritius) Company (CPMC)	**43,28,57,148**	**25.64%**	43,28,57,148	25.64%
MCPI Private Limited (MCPI)*	**29,90,40,937**	**17.72%**	29,90,40,937	17.72%
Essex Development Investment (Mauritius) Limited (EDIML)	**26,00,00,000**	**15.40%**	26,00,00,000	15.40%
West Bengal Industrial Development Corporation Limited (WBIDC)	**15,50,99,994**	**9.19%**	15,50,99,994	9.19%
Indian Oil Corporation Limited (IOCL)	**15,00,00,000**	**8.89%**	15,00,00,000	8.89%
Winstar India Investment Company Limited (WIICL)	**12,74,00,000**	**7.55%**	12,74,00,000	7.55%
India Trade (Mauritius) Limited (ITML)	**10,71,42,852**	**6.35%**	10,71,42,852	6.35%

18.3 Shares held by Promoters as at 31st March 2023

Promoter Name	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	% total shares	Number of Shares	% total shares
Equity shares				
1 Chatterjee Petrochem (Mauritius) Company (CPMC)	**43,28,57,148**	**25.64%**	43,28,57,148	25.64%
2 MCPI Private Limited (MCPI)*	**29,90,40,937**	**17.72%**	29,90,40,937	17.72%
3 Essex Development Investment (Mauritius) Limited (EDIML)	**26,00,00,000**	**15.40%**	26,00,00,000	15.40%
4 West Bengal Industrial Development Corporation Limited (WBIDC)	**15,50,99,994**	**9.19%**	15,50,99,994	9.19%
5 Winstar India Investment Company Limited (WIICL)	**12,74,00,000**	**7.55%**	12,74,00,000	7.55%
6 India Trade (Mauritius) Limited (ITML)	**10,71,42,852**	**6.35%**	10,71,42,852	6.35%
7 Ashis Chakraborty**	**1**	—	1	—
8 Debasis Konar**	**1**	—	1	—
9 Debjit Sur Roychowdhury**	**1**	—	1	—
10 Soubhagya Parida **	**1**	—	1	—

Notes forming part of Standalone Financial Statements

Rs. in million

* As a part of business restructuring, MCPI Pvt Limited has transferred its Logistics and strategic investments business to Aculead (India) Pvt Ltd effective 1st January 2022. Consequently, the investment held by MCPI Pvt Ltd in the equity shares of Haldia Petrochemicals Limited has been transferred to Aculead (India) Pvt Ltd. effective that date. The Company is in the process of recording the transfer of shares in the register of members.

** Nomineee Director of West Bengal Industrial Development Corporation Limited

18.4 In terms of an agreement with one of the promoters, the Company will issue such number of warrants which upon exercise would entitle the said promoter to subscribe to 100 million equity shares of Rs 10 each at par aggregating to Rs 1,000 million. Such conversion option can be exercised within one year after the payment to be made by the promoter to the shareholder for second tranche of 259.90 million equity shares as per the Share Purchase Agreement executed between the parties. Issue of such shares has not happened till 31st March, 2023.

19 The Equity Shares of the Company as stated above, were alloted to the eligible shareholders of amalgmating Company, Haldia Petrochemicals Limited, on 28th February 2017 (Record Date). But as per the order of the Hon'ble High Court of Calcutta, such shares stand allotted on the appointed date as on 1st March 2015.

Particulars	As at 31st March 2023	As at 31st March 2022
20. Other Equity		
Capital Redemption Reserve	**2,710.82**	2,710.82
Securities Premium	**1,19,641.08**	1,19,641.08
Revaluation Surplus	**25,347.63**	27,499.81
Deemed Capital Contribution	**57.07**	57.07
Retained earnings	**(2,999.09)**	1,102.21
	1,44,757.51	1,51,010.99

Particulars	As at 31st March 2023	As at 31st March 2022
20.1 Capital Redemption Reserve *		
Balance at the beginning of the Year	**2,710.82**	—
Transfer from Retained Earnings	**—**	2,710.82
	2,710.82	2,710.82
20.2 Securities Premium *		
Balance at the beginning of the year	**1,19,641.08**	1,19,641.08
Balance at the end of the year	**1,19,641.08**	1,19,641.08
20.3 Revaluation Surplus *		
Balance at the beginning of the year	**27,499.83**	29,579.87
Increase/(Decrease) during the year	**—**	(0.01)
Transfer to Retained Earnings being depreciation on revaluation increase (net of tax)	**(2,152.18)**	(2,080.03)
Balance at the end of the year	**25,347.63**	27,499.831
20.4 Deemed Capital Contribution *		
Balance at the beginning of the year	**57.07**	57.07
Balance at the end of the year	**57.07**	57.07
20.5 Retained Earnings *		
Balance at the beginning of the year	**1,102.21**	(1,041.26)
(Loss) / Profit for the year	**(6,253.48)**	2,774.24
Transfer from Revaluation Surplus being depreciation on revaluation increase (net of tax)	**2,152.18**	2,080.03
Transfer to Capital Redemption Reserve	**—**	(2,710.82)
Balance at the end of the year	**(2,999.09)**	1,102.21

* Also refer to the Statement of Changes in Equity for brief description thereof.

Balance in revaluation surplus is transferred to retained earnings to the extent of difference between depreciation based on the assets original cost and their fair value on year to year basis and is available for distribution to dividend to that extent.

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	Non-Current		Current	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
21 Non-Current Borrowings				
Measured at Amortised Cost				
Secured:				
Non Convertible Debentures**	**4,955.77**	—	—	—
Rupee Term Loans (RTL) :				
Banks *	**22,521.01**	23,087.19	**3,450.54**	3,332.23
Foreign Currency Term Loans (FCTL) :				
Financial Institutions *	**1,374.39**	1,812.48	**594.46**	545.94
Unsecured:				
Right of Recompense:				
Banks	—	120.66	—	25.20
Total:	**28,851.17**	25,020.33	**4,045.00**	3,903.37

21.1 Nature of security:

* By way of paripassu first charge on Property, Plant and Equipment and Leasehold rights on Land (disclosed under Right-of-use Asset) of the Company (both present and future).

* By way of paripassu second charge on current assets of the Company (both present and future) subservient to working capital loan.

** By way of pari passu first charge on the Company moveable (excluding current assets) and immoveable properties, present and future.

21.2 Interest Rate

Nature of Borrowings	Rate of Interest
Redeemable Non Convertible Debentures	Fixed Rate of Interest ranging from 8.75% to 8.95%
Rupee Term Loan (RTL)	Linked to Marginal Cost Lending Rate of respective banks (Effective average rate 7.47 % p.a.)
Foreign Currency Term Loan (FCTL)-Banks	SOFR linked floating rate (Effective rate including spread on LIBOR/SOFR 4.75 % p.a.)

21.3 Details of Non Current Borrowings of the Company:

Particulars	Currency of Loan	Non-Current Maturities		Current Maturities	
		Amortised Cost as at 31st 2023	Amortised cost as at 31st 2022	Amortised Cost as at 31st 2023	Amortised cost as at 31st 2022
Secured					
Redeemable Non Convertible Debentures:					
HPL NCD 2027 Series 2	INR	**2,478.06**	—	—	—
HPL NCD 2029 Series 1	INR	**2,477.71**	—	—	—
		4,955.77	—	—	—

The Company has issued on 29th June 2022, Secured, Redeemable Non-Convertible Debentures (NCDs) of Rs 5,000 millions in two series of Rs 2,500 millions each on private placement basis having average maturity of around 5 years. The proceeds were used for part financing of capex activities and augmenting resources for future growth projects. The NCDs were listed on BSE on 5th July, 2022.

Notes forming part of Standalone Financial Statements

Rs. in million

21.3 Instrument wise interest exposure of borrowings at the end of reporting period are as below:

Particulars	Currency of Loan	As at 31st March 2023		As at 31st March 2023	
		Fixed Rate	Floating Rate	Fixed Rate	Floating Rate
Secured					
Rupee Term Loans from Banks:					
State Bank of India (SBI) *	INR	**5,878.64**	3,316.43	**1,463.46**	965.27
Industrial Development Bank of India #	INR	—	4,141.59	—	571.53
Union Bank of India *	INR	**4,498.95**	2,989.55	**769.57**	454.28
Punjab National Bank *	INR	**3,485.07**	4,064.69	**570.22**	570.22
ICICI Bank Limited **	INR	**2,985.00**	—	—	—
State Bank of India (SBI) ^	USD	**5,673.35**	8,574.93	**647.29**	770.93
		22,521.01	23,087.19	**3,450.54**	3,332.23
Foreign Currency Term Loans from Financial Institutions:					
Exim Bank ##	USD	**1,374.39**	1,812.48	**594.46**	545.94
		1,374.39	1,812.48	**594.46**	545.94

* Payable in structured quarterly installments as per refinanced Rupee Loan Agreement commencing from June 2022.

Amount outstanding as at the end of previous year repaid during 2022-2023.

^ SBI has allowed conversion of part of Rupee Loan into FCNR Loan, from the existing limit of Rupee Term Loan to be rolled over on a yearly basis. Following the repayment schedule of Rupee Loan Agreement, the residual amount if any will be reinstated to Rupee Term Loan.

The Company had been sanctioned USD equivalent of Rs 715.34 Millions as Foreign Currency Loan in June 2017 from Exim Bank as a carve out from the existing Rupee Term Loan. Repayment will continue as per the agreed repayment percentage mentioned in the RLFA agreement.

Exim Bank had also sanctioned a Term Loan of USD equivalent to Rs 1,280 million repayable in 24 equal quarterly instalments starting from May 2019.

During FY 2019-2020 a new loan of USD equivalent of Rs 2,400 million (since reduced to Rs 1,200 million) towards reimbursement of capital expenditure for Coal Fired Boiler project was sanctioned repayable in 20 equal quarterly instalments starting from April 2022.

The Company has availed a New Term Loan Facility Agreement from State Bank of India and Union Bank of India which interalia has been utilised for funding a part of capex activities of the company and takeover/replenishment of the existing facilties, to be repaid in structured instalments upto 31st March, 2029.

** The Company has availed Rupee Term Loan of Rs 3,000 million from ICICI Bank to fund future capex requirements and other operational purposes repayable in 16 equal instalments starting from the end of 39 months from the first draw down date.

Particulars	Currency of Loan	Non-Current Maturities		Current Maturities	
		Amortised Cost as at 31st 2023	Amortised cost as at 31st 2022	Amortised Cost as at 31st 2023	Amortised cost as at 31st 2022
Unsecured:					
Right of Recompense from Banks @					
Industrial Development Bank of India	INR	—	120.66	—	25.20
Total Right of Recompense		—	120.66	—	25.20
Total		**28,851.17**	25,020.33	**4,045.00**	3,903.37

@ During the financial year 2015-2016, as per the arrangement with banks and financial institutions, the Company, inter alia, agreed to pay a sum of Rs 2,400.00 million on account of recompense to lenders. Against this, an upfront payment of Rs 270 million was made during the financial year 2015-16 and the balance amount o.f Rs 2,130 million is payable over a period of 10 years commencing from June 2020 in equal annual instalments disclosed as a deferred payment arrangement. The Company had approached the lenders for settlement of the recompense amount at its Net Present Value discounted at the rate equivalent to the applicable coupon rate to the company. The amount outstanding as at the end of previous year amounting to Rs 145.86 million has been repaid during the financial year. An amount of Rs 1,210.97 million has been paid to 23 lenders upto 31st March, 2023 (31st March 2022: Rs 1,061.57 million)

Notes forming part of Standalone Financial Statements

Rs. in million

21.4 Instrument wise interest exposure of borrowings at the end of reporting period are as below:

Particulars	Currency of Loan	As at 31st March 2023 Fixed Rate	As at 31st March 2023 Floating Rate	As at 31st March 2023 Fixed Rate	As at 31st March 2023 Floating Rate
Redeemable Non Convertible Debentures	INR	**4,955.77**	—	—	—
RTL					
Banks	INR	—	**25,971.55**	—	26,419.42
FCTL					
Financial Institutions	USD	—	**1,968.85**	—	2,358.42

21.5 The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Particulars	As at 31st March 2023	As at 31st March 2022
22 Lease Liabilities - Non-Current		
Lease Liabilities - Land	**74.78**	56.70
Lease Liabilities - Building	**265.78**	4.00
Total	**340.56**	68.13

Particulars	As at 31st March 2023	As at 31st March 2022
23 Other Liabilities - Non-Current		
Advance from Customers *	**1,220.04**	2,842.69
	1,220.04	2,842.69

Particulars	As at 31st March 2023	As at 31st March 2022
24 Other Non-Current Financial Liabilities		
Security Deposit received	**16.57**	15.27
Total	**16.57**	15.27

Particulars	Non-Current		Current	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
25 Provisions				
Employees Benefits				
Provision for Compensated absence	**202.39**	197.16	**33.45**	32.84
Provision for Gratuity	**1.43**	35.23	—	—
Total:	**203.82**	232.39	**33.45**	32.84

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	As at 31st March 2023	As at 31st March 2022
26 Current borrowings		
Secured		
Working Capital Loans repayable on demand:		
From banks:		
Cash Credit	**0.12**	—
Export Packing Credit	—	1,000.00
Working Capital Demand Loan	**1,440.00**	1,000.00
Other working capital loan:		
From banks:		
Buyers' Credit Facility	**5,446.30**	—
Suppliers' Credit Facility	—	3,590.27
Current maturities of Long Term Borrowings (Refer Note 21)	**4,045.00**	3,903.37
Total	**10,931.42**	9,493.64

Nature of Security:

26.1

(i) A pari-passu first charge created on current assets of the Company (both present and future)

(ii) A pari-passu second charge by way of mortgage in favour of the Lenders on all of Company's immovable properties, both present and future; which shall be subservient to the Term Loan Lenders

(iii) A pari-passu second charge by way of hypothecation on Property, Plant and Equipment of the Company (both present and future); which shall be subservient to the Term Loan Lenders.

Particulars	As at 31st March 2023	As at 31st March 2022
27 Lease Liabilities - Current		
Lease Liabilities - Land	**8.99**	0.01
Lease Liabilities - Building	**70.29**	31.58
Total	**79.28**	31.59

Particulars	As at 31st March 2023	As at 31st March 2022
28 Trade Payables-Current		
Total outstanding dues of Micro Enterprise and Small Enterprise	**88.44**	69.10
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	**9,227.68**	11,875.85
Total	**9,316.12**	11,944.95

28.1 The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below:

Particulars	As at 31st March 2023	As at 31st March 2022
The details of amounts outstanding to Micro, Small and Medium Enterprises (MSME) based on available information with the Parent is as under:		
(i) Principal amount remaining unpaid to MSME suppliers as at the end of the year	**68.38**	50.16
(ii) Interest due on unpaid principal amount to MSME suppliers as at the end of the year	**20.06**	18.94
	88.44	69.10
(iii) The amount of interest due and payable for the year	**1.12**	3.66
(iv) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	**18.94**	15.28
	20.06	18.94

Notes forming part of Standalone Financial Statements

Rs. in million

28.2 In respect of trade payables due for payment, the following is the ageing schedule as at 31st March 2023:

Intangibles Under Development	Unbilled due	Outstanding for following periods from due date of payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(I) MSME	—	—	69.50	3.66	1.50	13.78	**88.44**
(ii) Others	3,575.87	1,289.98	3,671.96	460.72	87.44	141.71	**9,227.68**
Total:	**3,575.87**	**1,289.98**	**3,741.46**	**464.38**	**88.94**	**155.49**	**9,316.12**

In respect of trade payables due for payment, the following is the ageing schedule as at 31st March 2022:

Intangibles Under Development	Unbilled due	Outstanding for following periods from due date of payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(I) MSME	—	—	53.83	1.11	0.39	13.77	**69.10**
(ii) Others	939.31	212.31	10,350.54	170.23	84.95	118.51	**11,875.85**
	939.31	212.31	10,404.37	171.34	85.34	132.28	**11,944.95**

Particulars	As at 31st March 2023	As at 31st March 2022
29 Other Financial Liabilities - Current		
Interest accrued but not due	**168.43**	53.17
Forward Contract entered for securing trade payables net of receivables	—	2.03
Derivatives not designated as hedging instruments	**74.86**	—
Dues to related parties (Refer Note 29.2)	**45.81**	34.14
Security Deposit taken	**608.43**	654.96
Other Liabilities (Refer Note 29.1)	**1,564.78**	1,413.21
Total	**2,462.31**	2,157.51

Particulars	As at 31st March 2023	As at 31st March 2022
29.1 Other Liabilities comprises:		
Payables on purchase of Property, Plant and Equipment - Non MSME	**275.83**	762.82
Payables on purchase of Property, Plant and Equipment - MSME	**57.64**	19.64
Earnest and Retention money, Liquidated Damages deducted	**85.35**	202.67
Discount accrued to customers	**1,145.96**	428.08
	1,564.78	1,413.21

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	As at 31st March 2023	As at 31st March 2022
29.2 Dues to related parties include:		
Subsidiary Company		
Haldia Riverside Estates Limited (HREL)	**18.24**	27.72
HPL Global Pte Limited	**0.19**	—
Advance Performance Materials Private Limited (AdPerma)	**4.23**	—
HPL Go Private Limited	**1.11**	—
HPL Industrial Estates Limited	**15.62**	—
Companies having substantial interest in the Company		
West Bengal Industrial Development Corporation Limited (WBIDC)	**6.42**	6.42
	45.81	34.14

Particulars	As at 31st March 2023	As at 31st March 2022
30 Other Current Liabilities		
Statutory Remittances	**253.29**	173.16
Deferred Government Grants relating to Export Promotion Capital Goods and Advance		
License	**173.97**	529.92
Advance from Customers *	**1,700.09**	1,683.76
Total	**2,127.35**	2,386.84

* Includes Rs 1,625.34 million Advance received from a Related Party (Refer Note 23 and 41)

Particulars	For the year ended 31st March, 2023	Forthe year ended 31st March, 2022
31. Revenue from Operations		
Sale of products		
Finished goods	**1,36,678.48**	1,12,210.00
Traded goods	**109.49**	846.26
	1,36,787.97	1,13,056.26
Sale of services		
Operations & Maintenance Services	**595.84**	58.32
	595.84	58.32
Other Operating Revenues		
Government Grants		
Accrued Duty Benefits pertaining to Exports	**374.35**	641.02
Accrued Benefits under Government incentive schemes (Refer Note: 31.2)	**3,731.94**	2,794.96
Freight Reimbursements	**1,739.58**	1,669.65
Sale of scrap *	**203.12**	44.40
	6,048.99	5,150.03
Revenue from Operations	**1,43,432.80**	1,18,264.61

* Sale of scrap of Current Year includes Rs 148 million being the amount realised on disposal of certain obsolete spares and dismantled assets. Corresponding cost of such items was Rs 536.85 million which was fully provided for in earlier years and has been written off against such provision in current year.

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
31.1 Details of product sold		
(I) Finished goods sold:		
Polymers:		
High Density Polyethylene (HDPE)	**57,469.83**	48,268.93
Linear Low Density Polyethylene (LLDPE)	**13,279.81**	8,024.26
Polypropylene (PP)	**33,339.98**	30,974.68
Chemicals: (By products)		
Benzene	**9,250.84**	7,931.15
Butadiene	**5,024.55**	4,041.32
Hydrogenated Pyrolysis Gasoline (HPG)	**7,118.13**	6,724.10
Motor Spirit	**2,539.56**	—
Methyl Tert Butyl Ether (MTBE)	—	3,728.61
Butene	—	663.14
Pentanes	**87.28**	—
Semi Hydrogenated C4 Raffinate	**5,445**	543.37
Others	**3,122.99**	1,310.44
	1,36,678.48	1,12,210.00
(ii) Traded goods sold		
Butene-1	**102.23**	—
Methanol	—	296.31
Polyolefin	**7.26**	549.95
	109.49	846.26

31.2 The Company had availed benefits under the West Bengal Incentive Scheme 1999 for a period of 12 years which ended on 19th May 2012, with a portion of the incentive (based on overall value limit) remaining unutilised as on that date amounting to Rs 43,806 million. Later, in accordance with a decision taken in the 32nd meeting of the Standing Committee on Industry, Infrastructure and Employment, Government of West Bengal held on 29th May 2014 followed by the tripartite Share Purchase Agreement (SPA) between the Government of West Bengal (GoWB), the promoters of the Company and the Company dated 11th September, 2014, 75% of the above unutilized incentives were restored to the Company with effect from 1st January 2016 for a period of 19 years with a stipulation that in the event of introduction of Goods and Service Tax (GST), the incentives would be payable to the extent the tax accrues to the State Government.

Post implementation of GST w.e.f. 1st July, 2017, the Company is yet to receive any incentive remission under the aforesaid scheme / agreement. Since there was no response from the GoWB one of the promoter companies had invoked the arbitration clause as per the terms of the said SPA during the year 2019-2020. As of date of this financial information, hearings before the arbitration tribunal and submissions by the parties is over and the award is awaited.

In view of the fulfilment of the conditions of SPA, based on a legal opinion taken and after re-assessment of the reasonability of ultimate recovery of such benefits based on developments till date and in conformity with accrual basis of accounting, the Company continues to recognize income under the said incentive scheme,post implementation of GST (ie 1st July, 2017) based on SGST collected and deposited. Accordingly, an amount of Rs 3,731.94 million has been recognised as income during the year ended March 31, 2023 based of SGST collected and deposited. The accumulated recoverable balance of Rs 14,579.34 million (since July 01, 2017 till March 31, 2023) is being shown under Other Non-Current Assets in the Balance Sheet.

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
32 Other Income		
Interest income earned on Financial Assets that are not designated at fair value through Profit or Loss:		
On Bank Deposits at amortised cost	**152.79**	44.96
On Other Financial Instruments at amortised cost	**714.35**	580.88
On Income tax refunds	**98.66**	—
Others	**4.02**	5.87
Dividend Income	**355.19**	262.42
Liabilities / provisions no longer required, written back	**377.42**	355.79
Insurance and Other Claims	**98.05**	79.59
Profit on sale of CWIP items	**2.17**	—
Profit on sale of current investments	**566.61**	357.42
Net gain/(loss) arising on current investments mandatorily measured at FVTPL	**289.44**	580.61
Miscellaneous Receipts	**39.73**	39.81
Net gain / (loss)on foreign currency transactions and translation	**(1,239.15)**	4.97
Net gain / (loss) arising on financial assets measured at FVTPL	**1,039.86**	(17.00)
Net gain/ (loss) arising on financial liabilities designated at FVTPL	**25.37**	(43.18)
Total	**2,524.51**	2,252.14

32.1 The Government of West Bengal had enacted the West Bengal Tax on Entry of Goods into Local Areas Act 2012 ('Entry Tax'). After its enactment, the constitutional validity of the same was challenged before the Hon'ble Calcutta High Court by various assesses. Vide order dated 24 June 2013, a single judge bench of the Calcutta High Court held the entry Tax to be ultra vires of Article 304(b) of the Constitution of India. Being aggrieved, the State of West Bengal has filed an appeal before the Division Bench of the Calcutta High Court and the said appeal is still pending.

The Company filed a separate writ petition in 2014 challenging the constitutionality of the Entry Tax; but since this was already decided by the Calcutta High Court and the matter is pending before the Division Bench, the Company's petition was adjourned sine die with an interim order that no coercive steps could be taken by the State to recover Entry Tax levied on the Company. The Company, thereafter, filed an application for addition as a party in the appeal pending before the Division Bench. The said application is also pending. The prayer of the Company for intervention was allowed by the Division Bench with a liberty to file an affidavit vide Order dated 9th January 2018.

In the meanwhile, a nine Judge bench of the Supreme Court of India vide its order dated 30 November 2016 decided that the levy of Entry Tax in a state has to be tested on the anvil of Article 304(a) of the Constitution of India to determine whether the statute in the state is 'discriminatory or non-discriminatory'. The Supreme Court did not, however, consider the validity of the State acts but referred those to be decided by the regular benches of the states, by applying the ratio as laid down by the Supreme Court.

After the pronouncement of the Supreme Court judgment in 2016, the State Government amended the Entry Tax Act, 2012 retrospectively to try and satisfy the test of discrimination. Subsequently, the Finance Act 2017 took away the powers of the High Court in a writ proceeding to adjudicate on matters relating to Entry Tax Act and conferred it to the West Bengal Taxation Tribunal (WBTT). On 25 March 2022, WBTT quashed the retrospective amendments made by the West Bengal Government and also declared that the order of the single judge bench of the Calcutta Court declaring Entry Tax Act 2012 to be ultra vires of the Constitution, is still valid.

The Company initially, had provided such Entry Tax along with interest as applicable under the relevant act; but reviewed the status of the case periodically. Based on such reviews, the recent WBTT judgement and legal opinions obtained in support of its reassessment, the Company was of the view that there is a merit in the case in favour of the Company and the Company did not foresee possibility of any liability arising on the Company or any cash outgo in this case. Accordingly, the Company had decided to write back the provision for earlier years amounting to Rs 5,833.25 million [consisting of principal amount of Rs 2,450.38 million (for the financial years 2012-13 to 2017-18) and interest of Rs 3,382.87 million (for the financial years 2012-13 to 2020-21) during the previous year.

Considering the significance of the amount involved, this reversal of provision for earlier years of Rs 5,833.25 million (Rs 3,794.85 million post tax) had been shown as an Exceptional Item in the Statement of Profit and Loss for the financial year ended March 31, 2022.

Notes forming part of Standalone Financial Statements

Rs. in million

	Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
33	**Cost of materials consumed**		
	Cost of raw materials consumed	**1,14,153.52**	86,852.37
	Total	**1,14,153.52**	86,852.37

	Particulars		For the year ended 31st March 2023	For the year ended 31st March 2022
33.1	**Details of materials consumed**			
	Naphtha		**1,09,080.82**	85,617.99
	Other Feed Stock:	LPG	**1,852.93**	1,059.80
		Butene-1	**1,463.97**	—
		Return Semi Hydrogenated C4 Raffinate	**1,734.46**	157.41
		Fuel Gas	**21.34**	17.17
			1,14,153.52	86,852.37

	Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
34	**Purchases of Stock-in-Trade**		
	Polyolefin	—	577.60
	Butene-1	**104.58**	—
	Methanol	—	281.01
	Total	**104.58**	858.61

	Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
35	**Changes in Inventories of Finished goods, Work-in-progress and By-Products**		
	Inventories at the end of the year		
	Work-in-progress	**364.49**	431.02
	Finished Goods and By Products	**3,564.57**	5,179.71
		3,929.06	5,610.73
	Inventories at the beginning of the year		
	Work-in-progress	**431.02**	98.42
	Finished Goods and By Products	**5,179.71**	2,676.68
		5,610.73	2,775.10
	Net (Increase) / Decrease	**1,681.67**	(2,835.63)

	Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
36	**Employee Benefits Expense**		
	Salaries, Wages and Bonus	**1,551.53**	1,559.64
	Contribution to Provident and Other Funds	**156.35**	152.87
	Staff Welfare Expenses	**79.89**	93.73
	Total	**1,787.77**	1,806.24

Notes forming part of Standalone Financial Statements

Rs. in million

36.1 (a) Defined Benefit Plans/Long Term Compensated Absences : -

Description of Plans

Defined contribution plans

Expenses under defined contribution plans are recognised as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company ' s obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Defined benefit plans

For defined retirement benefit schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

Compensated absences

Expenses for compensated absences are recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

The defined benefit plans expose the Company to a number of actuarial risks as below:

Risk Management

The Defined Benefit Plans expose the Company to risk of actuarial deficit arising out of investment risk, interest rate risk and salary cost inflation risk.

(a) Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/high quality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

(b) 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.

(c) 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.

(d) 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.

Notes forming part of Standalone Financial Statements

Rs. in million

	For the year ended 31 March, 2023				For the year ended 31 March, 2022			
	Management Staff Gratuity	**Non-Management Staff Gratuity**	**Compensated Absence**	**Sick Leave**	Management Staff Gratuity	Non-Management Staff Gratuity	Compensated Absence	Sick Leave
I Recognised in Statement of Profit or Loss								
1 Current Service Cost	**30.67**	**5.94**	**14.01**	**4.58**	26.34	5.83	12.94	4.16
2 Net Interest Cost	**0.04**	**(0.06)**	**11.38**	**2.71**	(0.41)	(0.03)	9.79	2.25
3 Effect of changes in financial assumptions	**—**	**—**	**(6.40)**	**(0.9)**	—	—	(3.83)	(0.59)
4 Effect of experience adjustments	**—**	**—**	**21.20**	**(7.81)**	—	—	29.06	(0.38)
5 Total expense recognised in the Statement of Profit and Loss	**30.71**	**5.88**	**40.19**	**(1.44)**	25.93	5.80	47.96	5.44
Re-measurements recognised in Other Comprehensive Income								
6 Return on plan assets (excluding amounts included in Net interest cost)	**(1.33)**	**(0.35)**	**—**	**—**	(2.25)	(0.44)	—	—
7 Effect of changes in financial assumptions	**(13.08)**	**(3.33)**	**—**	**—**	(7.81)	(1.93)	—	—
8 Effect of experience adjustments	**6.80**	**1.38**	**—**	**—**	44.68	0.15	—	—
9 Total re-measurements included in Other Comprehensive Income	**(7.61)**	**(2.30)**	**—**	**—**	34.62	(2.20)	—	—
10 Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income	**23.10**	**3.58**	**40.19**	**(1.44)**	60.28	3.60	47.96	5.44

The current service cost and net interest cost for the year pertaining to Pension and Gratuity expenses have been recognised in "Contribution to Provident and other funds" and Leave Encashment in "Salaries and wages" under Note 36. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.

	For the year ended 31 March, 2023				For the year ended 31 March, 2022			
	Management Staff Gratuity	**Non-Management Staff Gratuity**	**Compensated Absence**	**Sick Leave**	Management Staff Gratuity	Non-Management Staff Gratuity	Compensated Absence	Sick Leave
II **Actual Returns**								
III **Net Asset/(Liability) recognised in Balance Sheet**								
1 Present Value of Defined Benefit Obligation	**(420.24)**	**(96.70)**	**(196.21)**	**(39.63)**	(403.98)	(89.06)	(188.92)	(41.08)
2 Fair Value of Plan Assets	**430.82**	**95.27**	**—**	**—**	369.01	88.80	—	—
3 Status [Surplus/(Deficit)]	**10.58**	**(1.43)**	**(196.21)**	**(39.63)**	(34.97)	(0.26)	(188.92)	(41.08)
Current / Non-current liability breakup in Balance Sheet								
Current	**—**	**—**	**(25.91)**	**(7.54)**	—	—	(25.37)	(7.47)
Non-Current	**10.58**	**(1.43)**	**(170.30)**	**(32.09)**	(34.97)	(0.26)	(163.55)	(33.61)
IV **Change in Defined Benefit Obligation (DBO)**								
1 Present Value of DBO at the beginning of the year	**403.98**	**89.06**	**188.92**	**41.08**	345.38	83.17	169.72	35.63
2 Current Service Cost	**30.67**	**5.94**	**14.01**	**4.58**	26.34	5.83	12.94	4.16
3 Interest Cost	**25.55**	**5.80**	**11.38**	**2.71**	20.96	5.14	9.79	2.25
4 Remeasurement gains/ (losses):								
a. Effect of changes in financial assumptions	**(13.08)**	**(3.33)**	**(6.40)**	**(0.92)**	(7.81)	(1.91)	(3.83)	(0.59)
b. Changes in asset ceiling (excluding interest income)	**—**	**—**	**—**	**—**	—	—	—	—

Notes forming part of Standalone Financial Statements

Rs. in million

	For the year ended 31 March, 2023				For the year ended 31 March, 2022			
	Management Staff Gratuity	**Non-Management Staff Gratuity**	**Compensated Absence**	**Sick Leave**	Management Staff Gratuity	Non-Management Staff Gratuity	Compensated Absence	Sick Leave
c. Effect of experience adjustments	**6.80**	**1.38**	**21.20**	**(7.81)**	44.68	0.15	30.72	(0.38)
5 Benefits Paid directly by the Company	**(33.68)**	**(2.15)**	**(32.90)**	**—**	(25.30)	(3.32)	(28.77)	—
6 Present Value of DBO at the end of the year	**420.24**	**96.70**	**196.21**	**39.64**	403.98	89.06	188.91	41.08
V **Best Estimate of Employers' Expected**								
Current	**—**	**—**	**(25.91)**	**(7.54)**	—	—	(25.37)	(7.47)
Non-Current	**10.58**	**(1.43)**	**(170.30)**	**(32.09)**	(34.97)	(0.26)	(163.55)	(33.61)
VI **Change in Fair Value of Assets**								
1 Plan Assets at the beginning of the year	**369.01**	**88.79**	**—**	**—**	333.33	80.73	—	—
2 Interest Income	**25.51**	**5.87**	**—**	**—**	21.38	5.16	—	—
3 Remeasurement Gains/ (Losses) on plan assets	**1.33**	**0.35**	**—**	**—**	2.25	0.44	—	—
4 Actual Company Contributions	**34.97**	**0.27**	**—**	**—**	12.06	2.46	—	—
5 Benefits Paid from Planted Assets	**—**	**—**	**—**	**—**	—	—	—	—
6 Plan Assets at the end of the year	**430.82**	**95.28**	**—**	**—**	369.01	88.79	—	—
VII **Actuarial Assumptions**								
Discount Rate %	**7.10%**	**7.10%**	**7.10%**	**7.10%**	6.60%	6.60%	6.60%	6.60%
Rate of salary increase %	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
VIII **Major Category of Plan Assets as % of Total Plan Assets**								
1 Schemes of Insurance conventional products	100.00%	100.00%	NA	NA	100.00%	100.00%	NA	NA

* In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

IX Basis used to determine the Expected Rate of Return on Plan Assets.

The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

	For the year ended 31 March, 2023				For the year ended 31 March, 2022			
	Management Staff Gratuity	**Non-Management Staff Gratuity**	**Compensated Absence**	**Sick Leave**	Management Staff Gratuity	Non-Management Staff Gratuity	Compensated Absence	Sick Leave
X **Net Asset / (Liability) recognised in Balance Sheet (including experience adjustment impact)**								
1 Present Value of Defined Benefit Obligation	**(420.24)**	**(96.70)**	**(196.21)**	**(39.63)**	(403.98)	(89.06)	(188.92)	(41.08)
2 Fair Value of Plan Assets	**430.82**	**95.27**	**—**	**—**	369.01	88.80	—	—
3 Status [Surplus/(Deficit)]	**10.58**	**(1.43)**	**(196.21)**	**(39.63)**	(34.97)	(0.26)	(188.92)	(41.08)
4 Experience Adjustment of obligation [(Gain)/Loss]	**6.80**	**1.38**	**21.20**	**(7.81)**	44.41	0.15	29.06	(0.38)

XI Sensitivity Analysis

The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, 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 presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

Notes forming part of Standalone Financial Statements

Rs. in million

		For the year ended 31 March, 2023				For the year ended 31 March, 2022			
		Management Staff Gratuity	Non-Management Staff Gratuity	Compensated Absence	Sick Leave	Management Staff Gratuity	Non-Management Staff Gratuity	Compensated Absence	Sick Leave
1	Discount Rate + 100 basis points	**(24.02)**	**(6.11)**	**(11.69)**	**(1.72)**	(24.13)	(5.90)	(11.75)	(1.84)
2	Discount Rate - 100 basis points	**26.95**	**6.87**	**13.21**	**1.89**	27.17	6.66	13.34	2.02
3	Salary Increase Rate + 1%	**26.50**	**6.72**	**12.99**	**1.86**	26.57	6.50	13.04	1.98
4	Salary Increase Rate – 1%	**(24.08)**	**(6.12)**	**(11.72)**	**(1.73)**	(24.07)	(5.89)	(11.72)	(1.84)

Maturity Analysis of The Benefit Payments

		For the year ended 31 March, 2023				For the year ended 31 March, 2022			
		Management Staff Gratuity	Non-Management Staff Gratuity	Compensated Absence	Sick Leave	Management Staff Gratuity	Non-Management Staff Gratuity	Compensated Absence	Sick Leave
1	Year 1	**54.18**	**8.17**	**26.81**	**7.81**	50.74	8.33	4.04	7.71
2	Year 2	**51.59**	**10.69**	**23.58**	7.35	42.05	7.92	0.04	7.72
3	Year 3	**52.31**	**10.47**	**25.18**	**7.17**	52.88	9.69	0.04	7.50
4	Year 4	**60.64**	**12.62**	**25.92**	**6.90**	48.80	9.51	0.04	7.30
5	Year 5	**52.16**	**10.85**	**24.33**	**6.65**	60.08	11.49	0.04	6.90
6	Next 5 Years	**302.32**	**74.26**	**117.46**	**27.78**	282.97	66.66	0.17	29.22

(b) Amounts towards Defined Contribution Plans have been recognised under "Contribution to Provident and other funds" in Note 36: Rs 119.76 million (2021-2022 - Rs 121.15 million).

	Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
37	**Finance costs**		
	Interest costs :		
	Borrowings	**2,359.53**	1,399.99
	Others *	**51.84**	32.67
	Lease Liabilities	**25.21**	161.39
	Unwinding of discounts on redeemable preference shares	**—**	147.25
	Preference Dividend on Redeemable Preference Shares	**—**	24.51
	Exchange differences regarded as an adjustment to borrowing costs	**409.82**	404.40
	Other borrowing costs:		
	Finance Charges	**257.89**	126.47
	Right of Recompense	**3.54**	71.93
	Total	**3,107.83**	2,368.61

* Include Interest paid / payable to statutory authorities and on security deposit received from customers.

	Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
38	**Depreciation and amortisation expense**		
	Depreciation of tangible assets	**7,749.23**	7,962.79
	Amortisation of intangible assets	**6,679.67**	6,679.54
	Depreciation of Right Of Use Assets	**405.52**	898.36
	Total	**14,834.42**	15,540.69

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
39 Other expenses		
Consumption of Chemicals, Additives and Catalyst	**3,265.38**	3,465.64
Consumption of Stores and spares and Loose Tools	**507.82**	385.45
Consumption of Packing and other materials	**633.98**	581.50
Utilities comprises of:		
Consumption of naphtha for generation of steam	**555.38**	1,734.98
Consumption of by products for generation of steam	**2,277.13**	1,225.44
Water charges	**297.43**	214.95
Consumption of nitrogen	**194.22**	179.30
Increase / (decrease) of excise duty on inventory	**95.52**	—
Power and Fuel	**6,114.12**	4,406.21
Rent	**148.87**	146.97
Repairs and Maintenance		
Building	**106.05**	143.85
Plant and Machinery	**646.72**	512.64
Others	**213.30**	196.31
Insurance	**397.23**	375.99
Rates and Taxes	**78.06**	78.44
Service Charges	**559.91**	547.45
Brokerage and Commission	**370.53**	310.83
Clearing, Forwarding and Distribution Expenses	**74.25**	182.37
Excise Duty		
Freight Charges	**2,323.22**	2,135.42
Net Loss on Property, Plant & Equipment scrapped /sold	**227.32**	0.02
Provision for doubtful debts, advances, deposits and inventories	**489.41**	—
Corporate Social Responsibility Expenses (Refer Note: 39.2)	**41.03**	2.83
Miscellaneous Expenses	**785.02**	712.32
Total	**20,401.90**	17,536.08

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
39.1 Miscellaneous expenses include:		
Payment to auditor:		
As auditor		
Auditors' Remuneration	**11.00**	
In other capacity		
Quarterly Reviews	**6.00**	2.00
Other services (including certification fees)	**8.97**	4.82
Reimbursement of expenses	**0.56**	0.43
	26.53	18.25
Research & Development expenses:	**141.10**	66.13
	141.10	66.13

Notes forming part of Standalone Financial Statements

Rs. in million

39.2 Corporate Social Responsibility (CSR)

(i) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 by the Company during the year is Rs 41.03 million (Previous Year: NIL).

(ii) Amount spent during the year:

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Construction /acquisition of any asset	—	—
On purposes other than above	**41.03**	—
Total	**41.03**	—

40 Contingent Liabilities and Commitments (to the extent not provided for):

Nature of liabilities	For the year ended 31st March 2023	For the year ended 31st March 2022
(I) Contingent Liabilities:		
(a) Guarantees:		
Guarantees given by banks on behalf of the Company	**92.98**	80.98
(b) Claims against the Company not acknowledged as debts :		
(I) Income Tax matters under dispute	**2.50**	10.79
(ii) Excise Duty and other matters under dispute (including pre-deposit of Rs 204.04 million (Previous Year : 31st March 2022 - Rs 307.84 million)	**6,670.89**	6,076.58
(iii) Service Tax matters under dispute (including pre-deposit of Rs 12.94 million (Previous Year : 31st March 2022 - Rs 12.94 million)	**795.04**	769.17
(iv) Sales Tax / VAT matters under dispute (including pre-deposit of Rs 24.55 million (Previous Year : 31st March 2022 - Rs 25.05 million)	**706.78**	654.98
(v) Entry tax matters under dispute includes interest Rs 4,412.03 million (Previous Year : 31st March 2022-Rs 3,823.94 million) (Refer Note 32.1)	**7,009.43**	6,421.34
(vi) Others - Refer Note (d) below [above includes Rs NIL million (Previous Year: 31st March 2022 - Rs 598.60 million) for claim made by parties against which Company made a separate claim of Rs 4,398.90 million (Previous Year: 31st March 2022 - Rs 4,398.90 million)]	**10.50**	608.28
(ii) Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account	**2,172.34**	1,806.51
(b) Capital commitment in respect of acquisition of land and other assets from NOCL (Refer Note 45)	**5,750.00**	5,750.00

(a) Excise duty, VAT / Sales Taxes, GST and other indirect taxes claims disputed by the Company relate to issues of applicability and classification. Third party claims arising from disputes relate to contracts.

(b) Future cash outflows in respect of the above matter are determinable only in receipt of judgements/decisions pending at various forums/authorities. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial positions and result of operations.

(c) SBI CCG Br Kolkata has extended SBLC in favour of SBI London guaranteeing the debt payment obligations in case of default by HPL Technologies BV, Netherlands, being HPL's wholly owned subsidiary and the borrower. The Guarantee Amount is limited to the extent of outstanding loan balance of the Borrower as on a given date. The SBLC facility is secured by way of a pari-paasu charge over the fixed and current assets of the company.

(d) Certain claims against the Company by Engineers India Ltd (EIL) under EPCM contracts pertaining to the period 1997-2000 were

Notes forming part of Standalone Financial Statements

Rs. in million

disputed by the Company. EIL referred the matter to arbitration and the arbitral tribunal awarded its judgement in favour of EIL on 15.12.2014. HPL preferred appeal against the arbitral award which was dismissed by Calcutta High Court. HPL accordingly filed appeal at Supreme Court. The Supreme Court while hearing the appeal decided to return it back to Calcutta High Court for review of its judgement which is still pending. In the meantime, the Company has paid the entire claim amount of Rs 711.41 million to EIL on 04.12.2018. Now, taking into consideration the status of this case, the Company has decided, on a conservative basis, to recognise a charge in the books against payment made to EIL and has accordingly created a provision of Rs 489.41 million in current year (net of provision made in earlier year Rs 222 million), included under Manufacturing and Other Expenses (Note 39)

It may be noted that HPL also initiated a counter arbitration against EIL in 2002 with a claim of Rs 4,398.90 million on account of delays on part of EIL in execution of the projects and consequent loss suffered by the Company. Hearing has started against this counter claim. Amount realised, if any, will be recognised as Income in the year of such receipt.

41 Contingent Liabilities and Commitments (to the extent not provided for):

41 Related Party Disclosures

A **Names of related parties and related party relationship**

Subsidiaries

a) Haldia Riverside Estates Limited (HREL)

b) HPL Global Pte Ltd

c) HPL Go Private Limited

d) Advanced Performance Materials Private Limited (AdPerma)

e) SIO2P Private Limited (Formerly known as OTOC India Private Limited)

f) HPL Technologies BV., Netherlands (HTS)

g) HPL Industrial Parks Limited (HIPL) [incorporated with effect from 21st January, 2022]

h) HPL Industrial Estates Limited (HIEL) [incorporated with effect from 4th February, 2022]

i) Adplus Chemicals and Polymers Pvt Ltd. [incorporated with effect from 14th September, 2022]

Companies having Substantial Interest in the Company

a) Chatterjee Petrochem (Mauritius) Co. [CP(M)C]

b) West Bengal Industrial Development Corporation Limited (WBIDC)

Entities in which one of the promoters have substantial interest

a) Techna Infrastructure Private Limited (TIPL)

b) TCG Urban Infrastructure Holding Private Limited (TCGUIH)

c) TCG Facility Management Private Limited (TFMPL)

d) TCG Digital Solutions Private Limited (TDSPL)

e) MCPI Private Ltd (MCPI)

f) TCG Advisory Services Pvt. Ltd. (TASPL)

g) TCG Lifesciences Private Limited (TLPL)

h) TCG Alternate Investment Fund (TAIF)

i) TCG Foundation (TCGF)

j) Merlin Resources Pvt Ltd (MRPL)

k) DCG DataCore Systems (India) Pvt Ltd (DDCSIPL)

l) TCG Investment Holdings Ltd (TIHL)

m) Chatterjee Management Services Pvt Ltd (CMSPL)

n) Chatterjee Management Company (CMC)

Notes forming part of Standalone Financial Statements

Rs. in million

Companies in which one of the Directors have substantial interest

a) Development Consultant Private Limited (DCPL)

Associates

a) TCG Centres For Research And Education In Science And Technology (TCG Crest)

Entities which are members of the same group

a) Illuminate Aggregator LP Delaware US

b) Illuminate Aggregator II LP

c) Five P Development Company B.V. Netherlands

d) Lummus Technology Holdings I LLC

e) Lummus Technology Holdings II LLC

f) Lummus Technology Holdings III LLC

g) Lummus Technology Holdings IV LLC

h) Lummus Technology Holdings V LLC

I) Lummus Technology LLC

j) Lummus Technology B.V.

k) Lummus Technology LLC Thailand Liason Office

l) Lummus Technology LLC Korea Liason Office

m) Lummus Technology 2 B.V.

n) Lummus Technology B.V. Netherlands

o) Lummus Consultants International LLC, Louisiana

p) Lummus Engineered Products LLC, Delaware

q) Lummus Technology International LLC, Delaware

r) Lummus Gasification Technology Licensing LLC Delaware

s) Lummus Technology Services LLC Delaware

t) Lummus Technology Overseas LLC Delaware

u) Lummus Technology Ventures LLC Delaware

v) Catalytic Distillation Technologies, Texas

w) Clinical Research & Licensing LLC Texas

x) Chevron Lummus Global LLC, Delaware

y) Lummus Consultants International Ltd (England & Wales)

z) OOO Lummus Technology Russia

Notes forming part of Standalone Financial Statements

Rs. in million

aa) Lummus Technology Heat Transfer B.V. Netherlands

ab) Lummus Novolen Technology GmbH, Germany

ac) Lummus Engineering Technology China Co Ltd

ad) Lummus Technology 3 B.V. , Netherlands

ae) Lummus Consultants International Ltd (Dubai Branch)

af) Lummus Technology Heat Transfer B.V. India

ag) Novolen Technology Holdings C.V. Netherlands

ah) Lummus (Ningbo) Engineering and Technology Company Ltd., China

ai) CLG Technical Services LLC Delaware

aj) Green Circle LLC

ak) Lummus Technology Ltd. Co.

al) Lummus Technology LLC Abu Dhabi Liaison Office

am) Lummus Technology LLC KSA Liaison Office

an) Lummus Digital LLC

ao) Lummus Technology Private Limited (India)

Key Management Personnel

a) S. Chatterjee	Whole Time Director Vice-Chairman	upto 31st October 2022 from 1st November 2022
b) Navanit Narayan	Whole Time Director and Chief Executive Officer	from 1st November 2022
c) Sajal Ghosh	Company Secretary	upto 31st March 2023
d) Sarbani Mitra	Company Secretary	from 1st April 2023
e) N. Patnaik	Executive Vice President and Chief Financial Officer	

Notes forming part of Standalone Financial Statements

Rs. in million

Name of the Related Party	Nature of transaction during the year / Year end balance	For the year ended 31st March 2023	For the year ended 31st March 2022
Haldia Riverside Estates Limited (HREL)	Expenses on account of Rent	**78.35**	78.64
	Reimbursement of expenses for Water, Electricity and Telephone	**7.31**	14.87
	Interest received on Loan	**16.55**	18.61
	Loans Recovered	**26.74**	24.81
	Manpower support service during the year	**1.20**	1.20
	Outstandings		
	Investment in Equity Shares	**6,155.10**	6,155.10
	Loans Given	**192.25**	218.99
	Payable	**18.24**	27.72
HPL Global Pte Ltd	Preference Dividend Income	**355.19**	262.23
	Prefernce Dividend received	**262.23**	236.37
	Preference Shares converted to Equity shares	**6,166.27**	—
	Export Advance Received	**—**	4,880.14
	Manpower support service during the year	**11.87**	10.28
	Sale of Products	**17,068.19**	9,560.61
	Purchases	**30,846.65**	16,455.97
	Commodity Hedging Settlements Outflows	**47.68**	15.95
	Outstandings		
	Investment in Equity Shares	**9,771.25**	3,604.99
	Investment in Preference Shares	**4,036.76**	9,170.63
	Preference Dividend Receivable	**355.19**	262.23
	Inventory in Transit	**—**	102.80
	Recoverable	**11.57**	10.28
	Payable Commodity Hedging	**52.56**	—
	Export Advance	**2,846.75**	4,467.08
	Trade Receivables	**2,198.56**	1,067.66
	Trade Payable	**257.60**	104.68
HPL Go Private Limited	Expenses incurred on behalf of subsidiary	**1.62**	1.41
	Interest received on Loan during the period	**2.54**	23.16
	Expenses incurred by subsidiary on behalf of the Company	**0.09**	—
	Maintenance Charges of Consumer Pump incurred	**1.86**	3.38
	Methanol facilitation charges incurred	**—**	3.83
	Employee Benefits reimbursement	**3.00**	2.18
	Interest accrued on Loan given	**1.81**	9.75
	Loans recovered during the year	**75.63**	40.00
	Sale of Pygas	**665.19**	721.95
	Outstandings		
	Investment in Equity Shares	**0.10**	0.10
	Outstanding Interest	**—**	0.73
	Loans Given	**—**	75.63
	Recoverables	**3.18**	3.34
	Trade Receivables	**28.19**	12.70
	Trade Payables	**1.34**	0.16
Advanced Performance Materials Private Limited (Adperma)	Expenses incurred on behalf of subsidiary	**0.90**	72.38
	Operations and Maintenance Expenses	**595.84**	58.32
	Manpower support service during the year	**—**	1.10
	Lease Rent	**—**	531.30

Notes forming part of Standalone Financial Statements

Rs. in million

Name of the Related Party	Nature of transaction during the year / Year end balance	For the year ended 31st March 2023	For the year ended 31st March 2022
	Purchase of CWIP items from Subsidiary	**4.23**	—
	Sale of Products	**5,445.51**	720.01
	Purchase of Products	**3,456.82**	174.58
	Loans recovered during the year	—	363.93
	Interest on loan given	**88.76**	95.99
	Outstandings		
	Investment in Equity shares	**1,000.10**	1,000.10
	Payable	**296.98**	205.84
	Recoverable	**0.90**	2.21
	Trade Receivables	**550.88**	848.90
	Recoverable of Operations and Maintenance Expenses	**53.07**	62.98
	Advance given against Equity	—	—
	Interest Accrued but not due	—	—
	Loans Given	**1,109.44**	1,109.44
HPL Technologies B.V.	Investment in Equity Shares	**1,539.27**	1,412.88
	Advance for Investment in Equity Shares given	—	1,108.81
	Guarantee Fees	**294.14**	564.60
	Guarantee Fees recovered	**56.91**	554.52
	Consultancy charges paid	**22.63**	—
	Consultancy charges incurred	—	20.85
	Outstandings		
	Investment in Equity shares	**17,991.96**	16,452.70
	Advance for Investment in Equity Shares	—	1,108.81
	Payable	—	20.85
	Recoverable	**247.35**	10.12
SIO2P Private Limited (formerly known as OTOC India Private Limited)	Expenses incurred on behalf of subsidiary	**0.06**	0.15
	Outstandings		
	Recoverable from Subsidiary	**0.31**	0.25
	Investment in Equity shares	**0.10**	0.10
HPL Industrial Parks Limited (HIPL)	Expenses incurred on behalf of subsidiary	**0.07**	—
	Investment in Equity Shares	**0.10**	—
	Outstandings		
	Recoverable from Subsidiary	**0.07**	—
	Investment in Equity shares	**0.10**	—
HPL Industrial Estates Limited (HIEL)	Expenses incurred on behalf of subsidiary	**4.20**	—
	Purchase of Fixed Assets	**13.10**	—
	Sale of CWIP items to Subsidiary	**23.91**	—
	Investment in Equity Shares	**0.10**	—
	Outstandings		
	Recoverable from Subsidiary	**30.40**	—
	Payable to Subsidiary	**15.62**	—
	Investment in Equity shares	**0.10**	—
Adplus Chemicals and Polymers Pvt Ltd.	Investment in Equity Shares	**10.00**	—
	Expenses incurred on behalf of subsidiary	**0.03**	—
	Outstandings		
	Recoverable from Subsidiary	**0.03**	—
	Investment in Equity shares	**10.00**	—

Notes forming part of Standalone Financial Statements

Rs. in million

Name of the Related Party	Nature of transaction during the year / Year end balance	For the year ended 31st March 2023	For the year ended 31st March 2022
TCG Centres For Research And Education In Science And Technology (TCG Crest)	Advances given	**474.23**	1,270.20
	Expenses incurred on behalf of Associate	**4.49**	1.97
	Recovered from Associate	**4.18**	1.26
	Recovered from Associate	**4.18**	1.26
	Outstandings		
	Advances	**1,919.19**	1,444.97
	Recoverable	**1.02**	0.71
	Investment in Equity shares	**0 50**	0 50
Companies having Substantial Interest in the Group		.	.
West Bengal Industrial Development Corporation Limited (WBIDC)	Redemption of Preference Share Capital	—	174.84
	Preference Dividend unwinding effect	—	9.50
	Preference Dividend charge	—	1.58
	Preference Dividend Paid	—	6.83
	Outstandings		
	Receivable	**13.16**	13.16
	Payable	**6.42**	6.42
Companies in which one of the promoters have Substantial Interest			
Techna Infrastructure Private Limited (TIPL)	Expenses on account of Rent and other infrastructure facilities	**4.61**	72.36
	Reimbursement of other expenses	**9.57**	25.14
	Purchase of floors	—	473.40
	Common Expenses for purchased floors	—	8.43
	Security Deposit paid	—	5.93
	Security Deposit refunded	**0.15**	79.78
	Loan Recovered	—	1,000.00
	Interest income during the period	—	55.53
	Outstandings		
	Security Deposit paid	**5.93**	6.08
	Payable	**0.28**	0.06
TCG Urban Infrastructure Holding Private Limited (TCGUIH)	Expenses on account of Rent and other infrastructure facilities	**75.15**	74.21
	Reimbursement of Municipal Taxes	**0.05**	0.34
	Recovery of Office Space at TCG Finance Centre	**7.06**	7.98
	Loans given during the year	**1,000.00**	—
	Interest on Loan given	**4.08**	—
	Outstandings		
	Loan given	**1,000.00**	—
	Security Deposit paid	**36.34**	36.34
	Recoverable	**0.78**	0.65
	Payable	**0.27**	0.28
TCG Facility Management Private Limited (TFMPL)	Expenses on account of Infrastructure facilities	**4.60**	4.60
	Outstandings		
	Payable	—	—
TCG Digital Solutions Private Limited (TDSPL)	Expenses on account of Business Support and Consultancy	**35.88**	45.65
	Hardware and Software Expenses	**28.73**	25.61
	Project development related expenses	**2.90**	—
	Reimbursement of Office Accomodation Expenses	**1.68**	—
	Outstandings		
	Recoverable	**0.57**	—
	Payable	**6.53**	4.88

Notes forming part of Standalone Financial Statements

Rs. in million

Name of the Related Party	Nature of transaction during the year / Year end balance	For the year ended 31st March 2023	For the year ended 31st March 2022
MCPI Private Ltd (MCPI)	Expenses incurred by Related Party on our behalf	**3.34**	8.55
	Expenses incurred on behalf of Related Party	—	0.83
	Reimbursement of Office Accomodation Expenses	**25.95**	25.58
	Sale of Methanol	—	72.14
	Sale of Polypropelene	**0.10**	—
	Sale of Jumbo Bags	—	0.24
	Receipt of CWIP items from Group Company	**3.14**	
	Outstandings		
	Security deposit paid	**0.00**	0.00
	Advances Given	**0.43**	0.43
	Advances from Customer	**1.39**	1.39
	Payable	**4.70**	4.42
	Recoverable	**4.93**	10.64
TCG Lifesciences Private Limited (TLPL)	Expenses on account of Technical and Scientific Research	**137.11**	63.59
	Outstandings		
	Advances Given	**59.53**	—
	Payable	**93.60**	11.82
TCG Alternate Investment Fund (TAIF)	**Outstandings**		
	Investment in Alternate Investment Fund	**1,075.14**	1,188.34
TCG Foundation (TCGF)	Corporate Social Responsibility Expenses	**37.43**	—
DCG DataCore Systems (India) Pvt Ltd (DDCSIPL)	Expenses on account of Technical Support	**5.56**	4.04
	Outstandings		
	Payable	**0.72**	1.69
TCG Investment Holdings Ltd (TIHL)	Recovered during the year	**0.21**	—
	Outstandings		
	Recoverables	—	0.21
Chatterjee Management Services Private Limited (CMSPL)	Expenses on account of Business Support and Consultancy	**1.54**	1.27
	Outstandings		
	Payable	**0.58**	0.36
	Recoverable	**0.02**	0.02
Chatterjee Management Company (CMC)	Refund of Advance	—	33.87
	Outstandings		
	Payable	**3.56**	3.56
Companies in which one of the Directors have substantial interest			
Development Consultants Private Limited (DCPL)	Expenses for Engineering Consultancy services	**5.13**	15.20
	Outstandings		
	Payable	**1.44**	2.11
	Capital Advances	**0.46**	0.46
	Security Deposit taken	**0.04**	0.04
Entities which are members of the same group -			
Lummus Technology LLC	Payment for Technical Services	**4.35**	6.70
	Outstandings		
	Payable	**0.99**	—
Lummus Technology Heat Transfer B.V. Netherlands	Supply of Equipment	—	13.87
	Advisory Services taken	**3.91**	
	Outstandings		
	Payable	—	0.54
Key Management Personnel			
	S. Chatterjee Short-term employee benefits	**20.28**	25.44
	Navanit Narayan Short-term employee benefits	**10.05**	—
	N. Patnaik Short-term employee benefits	**19.28**	15.05
	Sajal Ghosh Short-term employee benefits	**8.55**	7.27

* Post employement benefits are actuarially determined on overall basis and hence not separately provided.

Notes forming part of Standalone Financial Statements

Rs. in million

42 Financial Instruments and Related Disclosures

42.1 Capital Management

The Company aims at maintaining a strong capital base maximizing shareholders' wealth safeguarding business continuity and augmenting its internal generations with a judicious use of borrowing facilities to fund spikes in working capital that arise from time to time as well as requirements to finance business growth.

The Company's Debt to Equity Ratio is as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
Debt	**39,782.60**	34,513.97
Equity	**1,36,289.25**	1,40,390.57
Debt to Equity Ratio	**0.29**	0.25

42.2 Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

Particulars	As at 31st March 2023 Carrying Value	As at 31st March 2023 Floating Value	As at 31st March 2023 Carrying Value	As at 31st March 2023 Floating Value
A. Financial assets				
a) Measured at amortised cost				
i) Cash and cash equivalents	**224.59**	**224.59**	2,887.51	2,887.51
ii) Other bank balances	**1,500.00**	**1,500.00**	484.00	484.00
iii) Investment in Bonds	**8,942.32**	**8,813.44**	6,043.41	6,101.16
iv) Loans	**2,304.43**	**2,304.43**	1,406.36	1,406.36
v) Trade receivables	**4,784.88**	**4,784.88**	3,944.97	3,944.97
vi) Other financial assets	**10,665.82**	**10,665.82**	675.64	675.64
Sub-total	**28,422.04**	**28,293.16**	15,441.89	15,499.64
b) Measured at Fair value through Profit or Loss				
I) Investment In Mutual Funds	**12,217.01**	**12,217.01**	22,651.83	22,651.83
ii) Investment In Alternate Investment Funds	**1,254.67**	**1,254.67**	1,267.87	1,267.87
iii) Investment in Equity Shares	**0.05**	**0.05**	0.05	0.05
iv) Investment in Preference Shares	**4,036.75**	**4,036.75**	9,170.63	9,170.63
v) Derivative instruments not designated as hedging instruments	**11.34**	**11.34**	—	—
Sub-total	**17,519.82**	**17,519.82**	33,090.38	33,090.38
c) Measured at Cost				
I) Investment in Subsidiaries	**34,929.31**	**34,929.31**	27,213.58	27,213.58
Sub-total	**34,929.31**	**34,929.31**	27,213.58	27,213.58
Total financial assets	**80,871.17**	**80,742.29**	75,745.85	75,803.60
B. Financial liabilities				
a) Measured at amortised cost				
I) Borrowings	**39,782.58**	**39,782.58**	34,513.97	34,513.97
ii) Trade payables	**9,316.12**	**9,316.12**	11,944.95	11,944.95
iii) Other financial liabilities	**2,823.86**	**2,823.86**	2,263.04	2,263.04
Sub-total	**51,922.55**	**51,922.55**	48,721.96	48,721.96
b) Measured at Fair value through Profit or Loss				
i) Derivative instruments not designated as hedging instruments	**74.86**	**74.86**	2.03	2.03
Sub-total	**74.86**	**74.86**	2.03	2.03
Total financial liabilities	**51,997.42**	**51,997.42**	48,723.99	48,723.99

Notes forming part of Standalone Financial Statements

Rs. in million

The management assessed that cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of loans from banks, trade payables and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

The fair values of The Company's interest-bearing borrowings and loans are determined by using Discounted Cashflow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31st March 2023 was assessed to be insignificant. The discount for lack of marketability represents the amounts that the Company has determined that market participants would take into account when pricing the investments

42.3 Financial risk management objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to financial risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market risk

The Company's Financial Instruments are exposed to market changes. The Company is exposed to the following significant market risk:

Foreign Currency Risk

Interest Rate Risk

Other Price Risk

Market Risk Exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

Valuation techniques with observable inputs (Level 2): Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. Derivatives are valued using valuation techniques with market observable inputs such as foreign exchange spot rates and forward rates at the end of the reporting period, yield curves, risk free rate of returns, volatility etc., as applicable.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Notes forming part of Standalone Financial Statements

Rs. in million

	For the year ended 31 March, 2023				For the year ended 31 March, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
A. Measured at Fair value through Profit and Loss								
Investment In Mutual Funds	12,217.01	—	—	12,217.01	22,651.83	—	—	22,651.83
Investment in Alternative Investment Fund	—	1,254.67	—	1,254.67	—	1,267.87	—	1,267.87
Investment in Equity Shares	—	—	0.05	0.05	—	—	0.05	0.05
Investment in Preference Shares	—	4,036.75	—	4,036.75	—	9,170.64	—	9,170.64
B. Measured at Amortised Cost								
Investment in Bonds	—	—	8,813.44	8,813.44	—	—	6,101.16	6,101.16
Loans*	—	—	2,274.11	2,274.11	—	—	1,303.27	1,303.27
Other Financial Assets*	—	—	9,561.51	9,561.51	—	—	65.85	65.85
	12,217.01	5,302.76	20,649.11	38,168.88	22,651.83	10,438.51	7,470.33	40,560.67
Financial liabilities								
A. Measured at Amortised Cost								
Borrowings	—	—	39,782.60	39,782.60	—	—	34,513.97	34,513.97
Other financial liabilities*	—	—	357.12	357.12	—	—	75.97	75.97
B. Derivatives measured at Fair value								
Derivative instruments not designated as hedging instruments	—	74.86	—	74.86	—	2.03	—	2.03
	—	74.86	40,139.72	40,214.58	—	2.03	34,589.94	34,591.97

*Represents Fair value of Non-current Financial Instruments

I. Foreign currency risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognised assets and liabilities, which are not in the Company's functional currency (Indian Rupees).

A significant portion of these transactions are in US Dollar, euro, etc. The carrying amount of foreign currency denominated financial assets and liabilities including derivative contracts, are as follows:

As at 31st March 2023	USD	Euro	JPY	Others*	Total
Financial Assets	**6,876.55**	**—**	**—**	**—**	**6,876.54**
Financial Liabilities	**20,438.18**	**31.40**	**60.68**	**0.98**	**20,531.24**
As at 31st March, 2022					
Financial Assets	10,646.65	—	—	—	10,646.65
Financial Liabilities	20,541.79	26.18	63.35	1.93	20,633.24

* Others primarily include GBP-Great Britain Pound & CHF - Swiss Franc

Derivatives not designated as hedging instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions.

The Company enters into foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	As at 31st March 2023	As at 31st March 2022
Forward contract Sell (USD 7.00 million) (31st March 2022: USD 9.01 million)	**575.95**	694.70
Forward contract Buy (USD 8.50 million) (31st March 2022: USD 2.50 million)	**699.88**	189.57
Options contract Buy (USD 75 million) (31st March 2022: Rs NIL)	**6,268.75**	—

Hedging against the underlying INR borrowings by which:

- Company will receive principal in INR and pay in foreign currency

- Company will receive fixed interest in INR and pay fixed / floating interest in foreign currency

Particulars		As at 31st March 2023	As at 31st March 2022
(i) Financial Liabilities:	Euro	**31.40**	26.18
	USD	**13,469.55**	20,352.22
	JPY	**60.68**	63.35
	Others	**0.98**	1.93
(ii) Financial Assets	Euro	**—**	—
	USD	**6,300.60**	9,951.95

Foreign currency sensitivity

Foreign Currency Sensitivities for unhedged exposure (impact on increase in 5%)

Particulars	As at 31st March 2023	As at 31st March 2022
EUR	**(1.57)**	(1.31)
USD	**(358.45)**	(520.01)
JPY	**(3.03)**	(3.17)
Others	**(0.05)**	(0.10)

Note: If the rate is decreased by 5% profit will decrease by an equal amount.
Figures in brackets indicate decrease in profit

ii. Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objectives of the Company's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimise counter party risks.

The Company is exposed to interest rate volatilities primarily with respect to its Term borrowings from banks as well as Financial Institutions, export packing credit facilities, cash credit facilities. Such volatilities primarily arise due to changes in money supply within the economy and/or liquidity in banking system due to asset/liability mismatch, poor quality assets etc. of banks. The Company manages such risk by operating with banks having superior credit rating in the market as well as Financial Institutions.

Interest Rate Sensitivities for outstanding exposure (impact on increase in 50 bps)

Particulars	As at 31st March 2023	As at 31st March 2022
INR	**130.23**	95.37
USD	**68.68**	76.47

Note: If the rate is decreased by 50 bps profit will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period. Further, the calculations for the unhedged floating rate borrowing have been done on the notional value of the foreign currency (excluding the revaluation).

Notes forming part of Standalone Financial Statements

Rs. in million

iii. Price risk

The Company invests its surplus funds primarily in debt mutual funds and alternate investment funds measured at fair value through profit or loss and in Bonds which are measured at amortised cost. Aggregate value of such investments as at 31st March, 2023 is Rs 22,413.98 Million (Previous year: As at 31st March, 2022 - Rs 29,963.11 Million). Investments in the such schemes are measured at fair value. Accordingly, these do not pose any significant price risk.

b) Commodity Price Risk:

The Company has adopted a hedging strategy duly approved by its Risk Management Committee to minimise the impact of fluctuations in the prices of its commodities. The Company has made a beginning in the current financial year by hedging a small quantity of its feedstock naphtha and certain quantity for naphtha-benzene spread, benzene being a finished product of the company. For Commodities hedging, there exist Over-the-Counter (OTC) and Exchange markets that offer financial instruments (derivatives), that enable managing the price risks. Strategic decisions regarding the timing and the usage of derivatives instruments are taken based on various factors including market conditions, physical inventories, macro-economic situation. The Risk Management Committee has oversight on all hedging actions taken.

c) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations. The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle and ensuring optimal movements of its inventories. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

Particulars	As at 31st March 2023			As at 31st March 2022		
	Current	1-5 years	> 5 yrs.	Current	1-5 years	> 5 yrs.
Financial liabilities						
I) Borrowings	**10,931.42**	**20,189.55**	**8,661.61**	9,493.64	14,690.06	10,330.27
ii) Trade payables	**9,316.12**	—	—	11,944.95	—	—
iii) Other financial liabilities	**2,466.74**	**300.54**	**56.58**	2,187.07	35.17	40.80
iv) Derivative instruments not designated as hedging instruments	**74.86**	—	—	2.03	—	—
Total	**22,789.14**	**20,490.09**	**8,718.19**	**23,627.69**	**14,725.23**	**10,371.07**

The Company manages this risk by utilising unused credit lines and portfolio diversion. The Company has investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes.

Particulars	As at 31st March 2023	As at 31st March 2022
Financing Facilities:		
Secured bank cash credit facility:		
- amount unused	**3,559.90**	4,000.00
	3,559.90	4,000.00

Credit risk

Credit risk is the risk that counter party will not meet its obligations leading to a financial loss. The Company has its policies to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customer's basis which, the terms of payment are decided. Credit limits are set for each customer which are reviewed on periodic intervals. The credit risk of the Company is low as the Company largely sells its products in domestic market through the Consignment Stockist Agent (CSA) against credit limit determined on the basis of cash deposit and bank guarantee. Exports are mostly backed by letter of credit or on advance basis.

Particulars	As at 31st March 2023	As at 31st March 2022
Opening Balance:	**13.35**	13.35
Less: Utilisation made for impairment / derecognition	**9.49**	—
Clsoing Balance	**3.85**	13.35

Notes forming part of Standalone Financial Statements

Rs. in million

43 Information given in accordance with the requirements of IndAS 108 on Segment Reporting:

A The Company's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Executive Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance.

The Company has identified two primary Business Segments viz.

Petrochemicals representing polymer and chemical businesses

Others representing trading business of the company

The Company has two secondary Business Segments viz.

In India representing revenues generated in India out of assets located in India

Outside India representing revenues generated outside India out of assets located in India and outside India

These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

B Unallocable represents all items of assets, liabilities, income and expenditure which cannot be allocated to any particular segment.

C There are no Inter segment revenues.

D

Sl. No.	Particulars	PETROCHEMICALS		OTHERS		UNALLOCABLE		TOTAL	
		For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a)	Revenue - External (Gross)	**1,43,323.31**	1,17,418.35	109.49	846.26	—	—	1,43,432.80	1,18,264.61
b)	Segment Results [Profit / (Loss)]	(9,360.78)	(1,170.56)	4.92	(12.33)	—	—	(9,355.86)	(1,182.89)
	Add / (Less): Unallocated expenses net of unallocated Income					2,349.31	1,941.28	2,349.31	1,941.28
	Operating Profit / (Loss)							(7,006.55)	758.39
	Interest and Financial Charges					3,107.83	2,368.61	3,107.83	2,368.61
	Profit / (Loss) before exceptional items and tax							(10,114.38)	(1,610.22)
	Exceptional Item							—	5,833.25
	Profit / (Loss) before tax							(10,114.38)	4,223.03
	Tax Expenses / Adjustments							(3,854.46)	1,427.90
	Profit / (Loss) after tax							(6,259.92)	2,795.13
c)	Depreciation/ Amortisation	14,834.42	15,540.69	—	—	—	—	14,834.42	15,540.69
d)	Segment Assets	1,51,847.75	1,62,323.37	—	—	76,413.61	74,558.48	2,28,261.36	2,36,881.85
e)	Segment Liabilities (excluding shareholders' funds)	15,465.04	19,132.61	—	—	51,159.42	49,858.86	66,624.46	68,991.47
f)	Capital Expenditure	2,093.84	6,634.83	—	—	—	—	2,093.84	6,634.83

E Information about Secondary Segments - Geographical Segments

	Particulars	INDIA		OUTSIDE INDIA		TOTAL	
		For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a)	Revenue	1,24,442.12	95,997.89	18,990.68	22,266.72	1,43,432.80	1,18,264.61
b)	Assets	1,91,132.65	2,04,938.57	37,128.71	31,943.28	2,28,261.36	2,36,881.85
c)	Capital Expenditure	2,093.84	6,634.83	—	—	2,093.84	6,634.83

Note: No single customer represents 10% or more of the Company's total revenue for the year ended 31st March, 2023 and 31st March, 2022.

Notes forming part of Standalone Financial Statements

Rs. in million

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
44 Earnings Per Share (EPS)		
Profit/(Loss) after Tax attributable to Equity Shareholders	**(6,259.92)**	2,795.13
Weighted Average number of Equity Shares for calculating basic EPS	**1,68,79,38,532.00**	1,68,79,38,532.00
Basic and Diluted EPS per share (Face Value Rs 10/- per share) in Rupees not annualised	**(3.71)**	1.25

45 Following Corporate Insolvency Resolution Process under section 230 of the Companies Act,2013 read with Sec 33,53 and 60(5) of Insolvency and Bankruptcy Code, 2016 and Regulation 32 of IBBI (Liquidation Process) Regulations,2016 approved by the National Company Law Tribunal (NCLT), Chennai Bench, in respect of M/s Nagarjuna Oil Corporation Limited (NOCL), HPL submitted a scheme of arrangement (Scheme) for acquiring the project assets including the entire freehold and leasehold land measuring 539.22 acres and 1,646.34 acres respectively free from all encumbrances, on 'as is where is basis', for setting up a Petrochemicals Complex. The said Scheme of HPL with a bid value of Rs. 6,000 million (inclusive of taxes) to be paid in 3 Stages, was approved by NCLT, Chennai Bench on 19th March 2021.

In terms of the said approved Scheme, HPL has paid the Stage-1 payment of Rs 250 million on 2nd April, 2021. The balance payments will be made in 2 stages upon fulfilment of the other conditions precedents mentioned in the approved Scheme.

As per the approved Scheme, the erstwhile BOOT operators of NOCL are obligated to vacate the land and remove their assets from the premises of NOCL within 90 days from the date of NCLT order, failing which the Official Liquidator (OL) of NOCL will have the right to vacate the land and remove such assets at the risk and cost of the BOOT operators. The Resolution Professional (RP) of COGIL, one of the BOOT Operators has filed an application against the HPL's Scheme on 18th March 2021 before NCLT, Amaravati and the said Bench has granted an injunction inter alia restraining the Official Liquidator (OL) to proceed for the eviction. The said RP has also filed an appeal under Sec 421 of the Companies Act, 2013 in NCLAT, Chennai on 25th May 2021 to set aside the Order of the NCLT, Chennai Bench dated 18th March 2021 or alternatively for directing the Official Liquidator of NOCL and HPL to modify the Scheme, taking into consideration the rights and interests of the BOOT operator and its lenders. HPL and Liquidator of NOCL have filed Application/Appeal before the respective Adjudicating Authorities. The application and appeal filed by RP of COGIL were dismissed and the injunction/interim order stands vacated by NCLT Amaravati Bench. Thereafter appeals filed by HPL and Liquidator of NOCL were also dismissed.

Subsequently, COGIL went through the Corporate Insolvency Resolution Process as per Insolvency and Bankruptcy Code, 2016 and the Resolution Professional (RP) invited Expressions of Interest from Persons interested in submitting resolution plan for COGIL, based on which HPL has submitted its offer bidding for the assets of COGIL free of any encumbrances and liabilities. HPL strategically participated mainly to settle the aforesaid legal complications with COGIL and to prevent disruption in the NOCL asset acquisition process. Basis Request for Resolution plan issued by the RP, COGIL, HPL had submitted a Resolution Plan, which has a precondition that all legal cases initiated by COGIL before NCLT/ NCLAT shall stand withdrawn. The Resolution Plan has since been approved by NCLT Amravati vide its order dated 16.2.2022.

HPL has paid the first tranche of Rs 18.75 million on 18.02.2022. HPL submitted Performance Bank Guarantee (PBG) dated 17th May 2022 for INR 35.625 crores towards second tranche payment as stipulated in the Approved resolution Plan and on receipt of said original PBG the Monitoring Agent (erstwhile RP) for COGIL handed over to HPL Industrial Estates Limited (HIEL), a wholly owned subsidiary of HPL formed to take over the assets of COGIL in lines with the Resolution Plan, possession of following assets and properties of COGIL free from all charges and encumbrances:

1 Freehold land admeasuring 2160 sq.ft through a Sale Deed dated 9th June 2022 in favour of HPL Industrial Estates Ltd (HIEL)

2 Leasehold land admeasuring 322.401 acres originally leased/sub leased to COGIL by NOCL

3 All movable assets comprising mainly Tanks (including loose input tank fabrication materials such as steel pipes, steel plates, girders, electrical cables, pumps etc. lying at COGIL site .

46 The Indian Parliament had approved the Code on Social Security, 2020 [Code] in September 2020 relating to employee benefits i.e. benefits during employment as well as post-employment. The same had also received Presidential Assent. The Ministry of Labour and Employment had released draft rules for the Code on November 13, 2020, and had invited suggestions from stakeholders, which are under active consideration by the Ministry. The Company will assess the impact once the subject rules are notified and will give

Notes forming part of Standalone Financial Statements

Rs. in million

appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

47 The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts with no material discrepancies.

48 Two new wholly owned subsidiaries namely HPL Industrial Parks Limited (HIPL) and HPL Industrial Estates Limited (HIEL) were incorporated on 21st January, 2022 and on 4th February, 2022 respectively. These two companies have prepared their first financial statements from respective date of incorporation upto March 31, 2023. During the current period a new wholly owned subsidiary Adplus Chemicals and Polymers Private Limited (Adplus) was incorporated on September 14, 2022 with an initial equity capital of Rs 10 million. This Company has prepared its first financial statements from the date of incorporation upto March 31, 2023.

49 Other Disclosures

(a) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.

(b) There are no transactions that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.

(c) Relationship with struck off companies: The Company does not have any transactions or relationships with any companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(d) Figures for the previous periods have been regrouped and reclassified wherever necessary, to conform to the classification of the current period.

50 Ratios

Ratios	Numerator	Denominator	As at 31.03.2023	As at 31.03.2022	Year ended 31.03.2023	Year ended 31.03.2022	Variance	
(a) Current ratio	Current Assets	Current Liabilities	43,094.39 24,949.93	55,684.64 26,047.37	1.73	2.14	(19%)	
(b) Debt-equity ratio	Total Debt	Total Equity	40,202.43 1,61,636.90	34,606.26 1,67,890.38	0.25	0.21	21%	
(c) Debt service coverage ratio	Earnings available for debt servicing (Earnings before Interest, Depreciation and Exceptional items)	Interest Expense + Principal Repayments made during the year for long term loans	8,055.19 7,152.83	16,299.10 6,271.98	1.13	2.60	(57%)	*
(d) Return on equity ratio	Net Profit after taxes - Preference Dividend	Average Shareholders Equity	(6,259.92) 1,64,763.64	2,795.13 1,66,503.26	-3.80%	1.68%	(326%)	**
(e) Inventory turnover ratio	Cost of Goods Sold (or Sales)	Average Inventory	1,31,427.52 13,708.18	97,101.31 11,976.46	9.59	8.11	18%	
(f) Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	1,60,906.56 4,364.93	1,31,859.39 3,464.45	36.86	38.06	(3%)	***
(g) Trade payables turnover ratio	Net Credit Purchase	Average Trade Payables	1,17,544.63 10,630.54	95,996.57 9,727.88	11.06	9.87	12%	
(h) Net capital turnover ratio	Net Sales	Working Capital (Current assets - Current liabilities)	1,38,730.67 18,144.46	1,14,770.31 29,637.27	7.65	3.87	97%	
(I) Net profit ratio	Net Profit after tax	Net Sales	(6,259.92) 1,38,730.67	2,795.13 1,14,770.31	-4.51%	2.44%	(285%)	#
(j) Return on capital employed	EBIT	Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	(7,006.55) 1,87,114.23	6,591.64 1,89,677.26	-3.74%	3.48%	(208%)	##

Notes forming part of Standalone Financial Statements

Rs. in million

Ratios	Numerator	Denominator	As at 31.03.2023	As at 31.03.2022	Year ended 31.03.2023	Year ended 31.03.2022	Variance
(k) Return On Investment	Interest income on Fixed Deposits + Profit on sale of Investments + Interest Income on Bond - Impairment on Value of Investment	Current Investment + Non Current Investments + Fixed Deposits with Bank	**1,611.99** / **33,368.73**	1,394.17 / 32,556.87	**4.83%**	4.28%	13%

* Fall in debt service coverage ratio is due to loss sufferd in current period as well as increase in finance costs, mainly due to issue of non-convertible debenture of Rs 4,995 million in current year and increase in cost of forex borrowings due to fall in INR vis-a-vis USD.

** Decrease in return on equity is due to loss after tax incurred in current year Rs 6,260 million as against profit after tax of Rs 2,795 million in last year. Increase in price of feedstock (naphtha) without commensurate increase in price of finished products resulted in an adverse impact on performance for the year.

***Decrease in short term investments in mutual fund led to decrease in working capital which however did not have any impact on sales. Hence, the increase in net capital turnover ratio.

Decrease in net profit ratio in current period is mainly due to signficant increase in price of feedstock (naphtha) without commensurate increase in sales price of finished products.

Decrease in return on capital employed is due to lower operating marging in current year for reason mentioned above.

See accompanying notes 1 - 50 to the Standalone Financial Statements
in terms of our report attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants

A. Bhattacharya
Partner
Membership No. 054110

Kolkata
Dated : 18th May, 2023

For and on behalf of the Board of Directors

Subhasendu Chatterjee
Director
DIN: 00153459
Kolkata
Dated : 18th May 2023

Navanit Narayan
Wholetime Director & Chief Executive Officer
DIN: 08280314
New Delhi
Dated : 18th May 2023

Sarbani Mitra
Company Secretary
Kolkata
Dated : 18th May 2023

N Patnaik
Chief Financial Officer
USA
Dated : 18th May 2023

INDEPENDENT AUDITOR'S REPORT

To The Members of Haldia Petrochemicals Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Haldia Petrochemicals Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes Group's share of profit in its associate and joint ventures, which comprise the Consolidated Balance Sheet as at 31st March 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries, associate and joint ventures referred to in the Other Matters section below, 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, and their consolidated loss, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associate and joint ventures 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us [and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to note no. 31.2 to the Consolidated Financial Statements relating to recognition of government incentives aggregating to Rs 3,731.94 million during the year ended March 31, 2023 (Rs 14,579.34 million recognised upto March 31, 2023) under the West Bengal Incentive Scheme 1999 that is pending formulation of the related rules etc. by the Government of West Bengal on implementation of the Goods and Service Tax Laws. As stated in the said note, the Parent's Management has recognised incentive benefits to the extent of SGST collected and paid till 31st March 2023, as per the terms of the shareholder agreement dated 11th September, 2014 to which the Government of West Bengal is a party, after re-assessment of the reasonability of ultimate recovery of such benefits based on developments till date as mentioned therein. 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.

INDEPENDENT AUDITOR'S REPORT

Sr. No.	Key Audit Matter	Auditor's Response
1	Impairment of Investment in Joint Venture (Refer notes 2.10, 3(6), 10 to the Consolidated Financial Statements) The Group has investment in partnership capital of a joint venture, Illuminate Aggregator LP, US, which has been accounted for using the equity method in the consolidated financial statements. Under the equity method, an investment in a joint venture is recognised initially in the consolidated balance sheet at cost and adjusted thereafter to recognize the company's share of the profit or loss and other comprehensive income of the joint venture. The carrying amount of investment in this joint venture, accounted for using the equity method are tested for impairment in accordance with Ind AS 36. The recoverable amount of the investment in this joint venture is assessed based on future discounted cash flows of the joint venture (Enterprise Value). The Group's management has tested this investment for impairment in accordance with Ind AS 36 by comparing its recoverable amount with its carrying amount as at 31 March, 2023. We considered this as a key audit matter due to materiality of above assets in context of the consolidated financial statements and significant judgement involved in estimating future cash flows of the joint venture and in determining the discount rate to be used. Changes in inputs and assumptions could impact the results of the impairment assessment.	**Principal audit procedure performed** We obtained an understanding of the Company's policies and procedures to identify impairment indicators for investment in joint venture and performed the following procedures in relation to the Company's management impairment assessment: • We tested the design and operating effectiveness of the Group's management controls over review of the impairment assessment including those over the forecasts of future cash flows and the selection of the discount rate. • We evaluated the reasonableness of forecasts of future cash flows of the joint venture provided to us by the Group's management by comparing the forecasts to historical trend analysis. • With the assistance of our fair value specialists, we evaluated the reasonableness of the valuation methodology and discount rate by developing a range of independent estimates and comparing those to the discount rate selected by the management. • We evaluated the group management's sensitivity analysis around the key assumptions such as discount rate and terminal growth rate, to ascertain the extent of change in those assumptions that would be required for the investment in such joint venture. • We evaluated the adequacy of the Group's disclosures in the consolidated financial statements in respect of its impairment testing.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures to Directors' Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- 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, compare with the financial statements of the subsidiaries, joint ventures and associate audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, joint ventures and associate, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes

INDEPENDENT AUDITOR'S REPORT

in equity of the Group including its associate and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities 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 associate and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associate and joint ventures.

Auditor's Responsibility 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 financial 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 Parent Company has adequate internal financial controls with reference to consolidated financial statements 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 the 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 associate and joint ventures 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 associate and joint ventures 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.

INDEPENDENT AUDITOR'S REPORT

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint ventures 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 or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the 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.

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

We communicate with those charged with governance of the Parent 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

(a) We did not audit the financial statements of 3 subsidiaries, whose financial statements reflect total assets of Rs. 19,296.53 million as at 31st March, 2023, total revenues of Rs. 67,211.63 million and net cash outflows amounting to Rs. 190.85 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 Rs. 110.64 million for the year ended 31st March, 2023, as considered in the consolidated financial statements, in respect of 1 joint venture, 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 these subsidiaries and joint venture, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) The consolidated financial statements also includes the Group's share of net loss of Rs. 7.88 million for the year ended 31st March, 2023, as considered in the consolidated financial statements, in respect of 1 associate and 1 joint venture, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and 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 these joint venture and associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated financial statements above 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 the reports of the other auditors and the financial statements / financial information certified by the Management.

INDEPENDENT AUDITOR'S REPORT

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries, associate and joint ventures referred to in the Other Matters section above 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, returns 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 Cash Flow Statement and the Consolidated Statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditors’ reports of the Parent, its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

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

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

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

      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint ventures - Refer Note 41 to the consolidated financial statements

      ii) The Group, its associate and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts.

      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate company incorporated in India.

      iv) (a) The respective Managements of the Parent and its subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries, (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

INDEPENDENT AUDITOR'S REPORT

(b) The respective Managements of the Parent and its subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, no funds have been received by the Parent or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The Parent and its subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent and its subsidiaries, associate which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. Bhattacharya
(Partner)
(Membership No. 054110)
(UDIN: 23054110BGXDXN1774)

Place: Kolkata
Date: 18th May, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to 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 Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Haldia Petrochemicals Limited (hereinafter referred to as "the Parent") and its subsidiary companies and its associate company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated 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 (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its associate company, 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") issued by the Institute of Chartered Accountants of India 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 with reference to consolidated financial statements. 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 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and associate company, which are companies incorporated in India, 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 with reference to consolidated financial statements of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to 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 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

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated 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 and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 2 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)

A. Bhattacharya
(Partner)
(Membership No. 054110)
(UDIN: 23054110BGXDXN1774)

Place: Kolkata
Date: 18th May, 2023

CIN: U24100WB2015PLC205383

Consolidated Balance Sheet
as at March 31, 2023

Rs. in million

Particulars	Notes	As at 31st March 2023	As at 31st March 2022
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	4	**75,802.70**	77,370.01
(b) Capital Work-in-Progress	5	**1,983.83**	6,773.30
(c) Right-of-Use Assets	6	**22,887.66**	22,869.60
(d) Goodwill	7	**5,980.10**	5,980.10
(e) Other Intangible Assets	8	**12,827.66**	19,499.16
(f) Intangibles under development	9	**5.40**	11.19
(g) Financial Assets			
(I) Investments	10	**55,846.46**	49,514.99
(ii) Loans	11	**4,495.45**	1.58
(iii) Other Financial Assets	12	**14,550.85**	3,965.34
(h) Income Tax Assets (Net)	13	**435.32**	1,755.63
(I) Deferred Tax Assets (net)	13	**1.15**	—
(j) Other Non-Current Assets	18	**15,157.77**	11,337.60
Total Non-Current Assets (I)		**2,09,974.35**	1,99,078.50
Current Assets			
(a) Inventories	14	**15,613.21**	18,859.84
(b) Financial Assets			
(I) Investments	15	**15,647.11**	25,397.54
(ii) Trade Receivables	16	**3,723.42**	3,331.56
(iii) Cash and Cash Equivalents	17	**844.54**	3,863.96
(iv) Bank balances other than (iii) above	17	**2,698.54**	1,245.22
(v) Loans	11	**5,374.93**	8,025.39
(vi) Other Financial Assets	12	**585.75**	341.17
(c) Other Current Assets	18	**6,554.61**	5,537.09
Total Non-Current Assets (II)		**51,042.11**	66,601.77
TOTAL ASSETS (I+II)		**2,61,016.46**	2,65,680.27
EQUITY			
Shareholders' Fund			
(a) Equity Share Capital	19	**16,879.39**	16,879.39
(b) Other Equity	21	**1,38,454.99**	1,44,318.68
Total Equity (III)		**1,55,334.38**	1,61,198.07
LIABILITIES			
Non Current Liabilities			
(a)Financial Liabilities			
(I) Borrowings	22	**63,090.91**	61,926.06
(ii) Lease Liabilities	23	**341.27**	68.13
(iii) Other Financial Liabilities	24	**86.57**	15.27
(b) Provisions	25	**204.68**	233.08
(c) Deferred Tax Liabilities (Net)	13	**11,445.14**	14,772.40
Total Non-Current Liabilities (IV)		**75,168.57**	77,014.94
Current Liabilities			
(a) Financial Liabilities			
(I) Borrowings	26	**16,710.69**	11,376.14
(ii) Lease Liabilities	27	**86.14**	38.59
(iii) Trade Payables	28		
Total outstanding dues of Micro Enterprises and Small Enterprises		**88.44**	69.10
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		**9,125.54**	12,386.59
(iv) Other Financial Liabilities	29	**3,697.43**	2,661.37
(b) Provisions	25	**37.21**	36.81
© Current Tax Liabilities (Net)		**163.27**	116.93
(d) Other Current Liabilities	30	**604.79**	781.73
Total Current Liabilities (V)		**30,513.51**	27,467.26
TOTAL EQUITY AND LIABILITIES (III+IV+V)		**2,61,016.46**	2,65,680.27

See accompanying notes 1 - 51 to the Consolidated Financial Statements
in terms of our report attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants

A. Bhattacharya
Partner
Membership No. 054110

Kolkata
Dated : 18th May, 2023

For and on behalf of the Board of Directors

Subhasendu Chatterjee
Director
DIN: 00153459
Kolkata
Dated : 18th May 2023

Navanit Narayan
Wholetime Director & Chief Executive Officer
DIN: 08280314
New Delhi
Dated : 18th May 2023

Sarbani Mitra
Company Secretary
Kolkata
Dated : 18th May 2023

N Patnaik
Chief Financial Officer
USA
Dated : 18th May 2023

Consolidated Statement of Profit and Loss

For the year ended March 31, 2023

Rs. in million

Particulars	Notes	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Revenue from Operations	31	1,58,780.80	1,27,236.78
Other income	32	1,455.32	2,506.29
Total Income		1,60,236.12	1,29,743.07
Expenses			
Cost of Materials Consumed	34	1,11,817.94	86,749.68
Purchases of Stock-in-Trade	35	13,119.25	9,647.13
Changes in inventories of finished goods, work-in-progress and By-products	36	2,141.02	(3,359.52)
Employee Benefits Expenses	37	1,877.25	1,893.68
Finance Costs	38	5,292.01	3,945.47
Depreciation and Amortisation Expense	39	15,005.07	15,253.28
Other Expenses	40	21,088.33	18,117.79
Total Expenses		1,70,340.87	1,32,247.51
Loss before share of profit/(loss) of associate / joint ventures and exceptional items		(10,104.75)	(2,504.44)
Share of profit / (loss) of Associates and Joint Ventures		102.76	364.91
Loss before exceptional items and tax		(10,001.99)	(2,139.53)
Exceptional Items	33	—	5,833.25
(Loss) / Profit before tax		(10,001.99)	3,693.72
Tax Expense			
Current Tax:			
Tax on Foreign Dividend		—	68.70
Minimum Alternate Tax (MAT)		—	315.15
Tax in respect of current year		568.88	172.46
Tax in respect of prior years		(122.15)	0.87
Deferred Tax	13	(3,441.92)	1,035.02
Totax Tax Expense		(2,995.19)	1,592.20
(Loss) / Profit for the year		(7,006.80)	2,101.52
Other Comprehensive Income			
Items that will notbe reclassified to profit or loss			
(a) Changes in revaluation surplus		—	(0.01)
(b) Remeasurement of defined benefit plans		9.51	(32.39)
© Income tax on above		(3.36)	11.23
(d) Share of OCI in Associatesand Joint Ventures		305.86	65.54
Items that may be reclassified to profit or loss			
(a) Exchange differences in translating the financial statement of foreign operations		991.25	(808.95)
(b) Income tax on above		(110.16)	(100.56)
(c) Share of OCI in Associates and Joint Ventures		(49.98)	114.83
Total other comprehensive income / (loss)		1,143.12	(750.31)
Total comprehensive income / (loss) for the year		(5,863.68)	1,351.21
Earnings per Equity Share [nominalvalue of share Rs.10/- (31st March 2022:Rs.10/-) Basic /Diluted]	45	(4.15)	1.25

See accompanying notes 1 - 51 to the Consolidated Financial Statements
in terms of our report attached

For and on behalf of the Board of Directors

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants

A. Bhattacharya
Partner
Membership No. 054110

Kolkata
Dated : 18th May, 2023

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Sarbani Mitra
Company Secretary
Kolkata
Dated : 18th May 2023

N Patnaik
Chief Financial Officer
USA
Dated : 18th May 2023

CIN: U24100WB2015PLC205383

Consolidated Cash Flow Statement

For the year ended March 31, 2023

Rs. in million

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Cash flow from operating activities		
Profit / (Loss) before tax during the year (excluding share of profit / (losses) from Associates / Joint Ventures amounting to Rs 102.76 million (Previous Year: Rs 364.91 million)	**(10,104.75)**	3,328.81
Adjustments for:		
Depreciation and amortisation expense	**15,005.07**	15,253.28
Accrued Benefits under Government incentive schemes	**(3,731.94)**	(2,794.96)
Liabilities / provisions no longer required, written back	**(526.97)**	(155.29)
Interest income earned on Financial Assets that are not designated at fair value through Profit or Loss	**(1,329.92)**	(875.20)
Gain on Sale of Investments	**(898.70)**	(972.70)
Net (gain) / loss on foreign currency transactions and translation	**314.23**	340.97
Net (gain) / loss arising on financial liabilities designated as at FVTPL	**74.86**	—
Net (gain) / loss arising on financial assets measured at FVTPL	**192.48**	(407.01)
Provision for obsolete spares, doubtful debts and advances	**489.41**	—
Loss on Sale / Retirement of Assets	**245.32**	0.02
Dividend income	**(0.19)**	(1.04)
Finance Costs	**5,292.01**	3,945.47
Exceptional Items - Reversal of Liabilities	**—**	(5,833.25)
Operating Profit before Working Capital changes:	**5,020.91**	11,829.10
Changes in working capital		
Decrease / (Increase) in Other Current Assets	**430.37**	(5,883.45)
Decrease / (Increase) in Other Non Current Assets	**(1,699.75)**	2,939.39
Decrease / (Increase) in Financial Assets - Non Current	**19.06**	(10.00)
Decrease / (Increase) in Financial Assets - Current	**(58.19)**	(433.13)
Decrease / (Increase) in Inventories	**3,246.60**	(7,950.53)
Decrease / (Increase) in Trade Receivables - Current	**(234.65)**	453.14
(Decrease) / Increase in Trade Payables- Current	**(2,799.40)**	4,307.17
(Decrease) / Increase in Other Liabilities - Current	**331.90**	256.86
(Decrease) / Increase in Other Liabilities - Non Current	**2.12**	0.09
(Decrease) / Increase in Financial Liabilities - Current	**297.63**	175.88
(Decrease) /Increase in Financial Liabilities - Non Current	**1.29**	0.46
(Decrease) / Increase in Provisions - Non Current	**(18.66)**	11.76
(Decrease) / Increase in Provisions - Current	**0.17**	2.19
Cash generated from operations	**4,539.40**	5,698.93
Net Income Taxes paid	**908.57**	(1,190.63)
Net cash flow from operating activities (A)	**5,447.97**	4,508.30
Cash flow from investing activities		
Payments for Property, Plant and Equipment, Intangibles, etc	**(2,142.20)**	(6,816.62)
Payment of Project CWIP	**(402.59)**	—
Payment/ Receipts for Project Scrap (Net)	**448.09**	—
Proceeds from sale of Plant Property and Equipment	**—**	0.01
Sale / Return of Investment in Joint Venture	**—**	6,020.35
Investments in Joint Venture	**—**	(11.17)
Purchase of other non current investments	**—**	(1,923.10)
Purchase of current investments	**(1,01,325.78)**	(89,645.02)
Proceeds from sale / maturity of current investments	**1,09,449.61**	90,199.74
Investments in bank deposits (having original maturity of more than three months)	**(10,950.20)**	(1,312.14)
Bank deposits redeemed / placed - net (having original maturity of more than three months) *	**133.60**	1,000.10
Investments in bank deposits (having original maturity of more than twelve months)	**(1,533.19)**	—
Bank deposits redeemed (having original maturity of more than twelve months)	**775.70**	—
Loan given to Related Parties	**(1,237.99)**	(1,239.51)
Repayment of Loan by Related Parties	**66.68**	2,729.19
Interest received	**1,045.02**	841.42
Net cash flow used in investing activities (B)	**(5,673.25)**	(156.75)

Consolidated Cash Flow Statement

For the year ended March 31, 2023

Rs. in million

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Cash flow from financing activities		
Redemption of Preference Shares	—	(2,710.83)
Proceeds from Long Term borrowings	**24,855.08**	22,891.32
Repayment of Long term Borrowings	**(23,805.68)**	(22,788.50)
Proceeds from Short Term borrowings	**52,128.35**	39,607.82
Repayment of Short term Borrowings	**(50,817.13)**	(36,468.35)
Interest Paid	**(5,017.85)**	(3,803.03)
Payment of Lease Liabilities	**(137.39)**	(170.64)
Dividends paid on preference shares	—	(105.83)
Net cash used in financing activities (C)	**(2,794.62)**	(3,548.05)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(3,019.90)**	803.50
Cash and cash equivalents at the beginning of the year	**3,865.51**	3,062.01
Cash and cash equivalents at the end of the year	**845.61**	3,865.51

(I) The above cash flow statement has been prepared under the Indirect Method as set out in the Ind AS 7 - Statement of Cash Flows

Particulars	Note Reference	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Components of cash and cash equivalents:	**18**		
Cash on hand		**0.79**	0.72
Unrestricted Balances with Bank		**776.28**	1,732.51
Deposit account		**67.47**	2,130.73
Cash and cash equivalents (Refer Note: 17)		**844.54**	3,863.96
Unrealised Exchange Differences on Cash and Cash Equivalents		**1.07**	1.55
Adjusted Cash and cash equivalents		**845.61**	3,865.51

See accompanying notes 1 - 51 to the Consolidated Financial Statements
in terms of our report attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants

A. Bhattacharya
Partner
Membership No. 054110

Kolkata
Dated : 18th May, 2023

For and on behalf of the Board of Directors

Subhasendu Chatterjee
Director
DIN: 00153459
Kolkata
Dated : 18th May 2023

Navanit Narayan
Wholetime Director & Chief Executive Officer
DIN: 08280314
New Delhi
Dated : 18th May 2023

Sarbani Mitra
Company Secretary
Kolkata
Dated : 18th May 2023

N Patnaik
Chief Financial Officer
USA
Dated : 18th May 2023

CIN: U24100WB2015PLC205383

Consolidated Statement of Change in Equity

For the year ended March 31, 2023

Rs. in million

a. Equity Share Capital

Particulars	Number of Shares	Share Capital
Balance as at 1st April 2021	1,68,79,38,532	16,879
Changes in equity share capital during the year	—	—
Balance at 31st March, 2022	1,68,79,38,532	16,879
Changes in equity share capital during the year	—	—
Balance at 31st March, 2023	1,68,79,38,532	16,879

b. Other Equity

	Reserves and Surplus				Items of Other Comprehensive		Total
	Securities Premium	Deemed Capital Contribution	Capital Redemption Reserve	Retained Earnings	Revaluation Surplus	Foreign Currency Translation Reserve	
Balance as at 1st April 2021	**1,19,641.08**	**57.07**	**—**	**(7,576.96)**	**29,579.87**	**1,266.40**	**1,42,967.46**
Other Comprehensive Income (net of tax)	—	—	—	44.38	—	(794.67)	(750.29)
Profit for the year	—	—	—	2,101.52	—	—	2,101.52
Transfer to Capital Redemption Reserve	—	—	2,710.82	(2,710.82)	—	—	—
Revaluation gain recognised on discard of Property, Plant and Equipment (PPE) (net of tax)	—	—	—	—	(0.01)	—	(0.01)
Adjustment relating to revaluation surplus derecognised on discard of Property, Plant and Equipment (PPE) (net of tax)	—	—	—	2,080.03	(2,080.03)	—	—
Balance at 31st March, 2022	1,19,641.08	57.07	2,710.82	(6,061.85)	27,499.83	471.73	1,44,318.68
Balance at the 1st April 2022	1,19,641.08	57.07	2,710.82	(6,061.85)	27,499.83	471.73	1,44,318.68
Other Comprehensive Income (net of tax)	**—**	**—**	**—**	**312.01**	**—**	**831.10**	**1,143.11**
Loss for the year	**—**	**—**	**—**	**(7,006.80)**	**—**	**—**	**(7,006.80)**
Transfer from Foreign Currency Translation Reserve to Retained Earnings				**308.07**		**(308.07)**	**—**
Adjustment on account of depreciation on revalued PPE / ROU (net of tax)	**—**	**—**	**—**	**2,152.18**	**(2,152.18)**	**—**	**—**
Balance at 31st March, 2023	**1,19,641.08**	**57.07**	**2,710.82**	**(10,296.39)**	**25,347.65**	**994.76**	**1,38,454.99**

Notes:

Securities Premium: This represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Deemed Capital Contribution: This represents the finance charges borne by a Promoter Company on behalf of the Parent.

Capital Redemption Reserve: This represents amounts transferred from Retained Earnings on redemption of Preference Shares. This can be utilised in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This reserve represents the cumulative profits of the Group. This can be utilised in accordance with the provisions of the Companies Act, 2013.

Revaluation Surplus : This represents excess of fair value over the carrying value of certain class of Property, Plant and Equipment (PPE) based on valuation done by an independent registered valuer . The said reserve is transferred to retained earnings to the extent of difference between depreciation based on the PPEs' original cost and their fair value on year to year basis and is available for distribution to dividend to that extent.

Foreign Currency Translation Reserve: This Reserve contains:

(a) accumulated balance of foreign exchange differences from translation of the financial statements of the Group's foreign operations arising at the time of consolidation of such entities and

(b) accumulated foreign exchange differences arising on monetary items that, in substance, form part of the Group's net investment in a foreign operation. Such foreign exchange differences are recognised in Other Comprehensive Income. Exchange differences previously accumulated in this Reserve are reclassified to profit or loss on disposal of the foreign operation.

See accompanying notes 1 - 51 to the Consolidated Financial Statements
in terms of our report attached

For and on behalf of the Board of Directors

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants

A. Bhattacharya
Partner
Membership No. 054110
Kolkata
Dated : 18th May, 2023

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Sarbani Mitra
Company Secretary
Kolkata
Dated : 18th May 2023

N Patnaik
Chief Financial Officer
USA
Dated : 18th May 2023

Notes forming part of Consolidated Financial Statements

1 General Information

The Consolidated Financial Statements comprise financial statements of “Haldia Petrochemicals Limited” (“Company”, “HPL”, the “Parent Company”) and its subsidiaries (collectively referred to as “the Group”) for the year ended March 31, 2023.

The principal activities of the Group, its Joint Ventures and associates consists of –

- running an integrated Naptha based petrochemical plant [major products being HDPE (High density polyethylene), LLDPE (Linear low density polyethylene), PP (Polypropelene), Benzene, Motor spirit, CBFS (Carbon black feed stock);
- proprietary process technologies for the energy sector, refining and petrochemicals industries, and a leading supplier of digitalization products, services, catalysts and proprietary equipment.

2 Significant Accounting Policies

2.1 Statement of Compliance

These consolidated financial statements, for the year ended 31st March 2023, have been prepared in accordance with Indian Accounting Standards (Ind ASs) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended. These Consolidated Financial Statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. These consolidated financial statements were approved for issue by the board of directors on 18th May, 2023.

2.2 Basis of Preparation

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain classes of Property, Plant and Equipment (namely, Plant and Equipment, Land (Leasehold) and Buildings) and certain financial assets that are measured at revalued amounts or fair values 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.

The Accounting Policies have been consistently applied by the Group and are consistent with those used in the previous year unless a change in accounting policy is required by an Ind AS.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

New and amended standards adopted by the Group

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Groups's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, as and when they become effective.

1. Ind AS 101 - First-time adoption of Ind AS
2. Ind AS 102 - Share Based Payment
3. Ind AS 103 – Business Combinations
4. Ind AS 107 – Financial Instruments - Disclosures
5. Ind AS 109 – Financial Instruments
6. Ind AS 115 – Revenue from Contracts with Customers

Notes forming part of Consolidated Financial Statements

7. Ind AS 1 – Presentation of Financial Statements
8. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
9. Ind AS 12 - Income Taxes
10. Ind AS 34 – Interim Financial Reporting

These amendments shall come into force with effect from 1st April, 2023. The Group is assessing the potential effect of the amendments on its financial statements. The Group will adopt these amendments, if applicable, from applicability date.

2.3 Operating Cycle

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 the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products / services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Group has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

2.4 Basis of Consolidation

These Consolidated Financial Statements (CFS) are for the Group consisting of the Parent Company and its subsidiaries [listed below]. These CFS are prepared on the following basis in accordance with Ind AS on "Consolidated Financial Statements" (Ind AS – 110), "Investments in Associates and Joint Ventures" (Ind AS – 28) and "Disclosure of interest in other entities" (Ind AS – 112), specified under Section 133 of the Companies Act, 2013.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 March each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group 's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests ' share of subsequent changes in equity.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. 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, the gain or loss on disposal recognised in profit or loss 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), less 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 required/permitted by applicable Ind ASs). 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 when applicable, or the cost of initial recognition of an investment in an associate or a joint venture.

Notes forming part of Consolidated Financial Statements

The Consolidated Financial Statements are comprised of the financial statements of the members of the Group as under:

Name of the Company of Business	Principal Place	% Shareholding and Voting	
		As at 31st March 2023	As at 31st March 2022
Haldia Riverside Estates Limited	India	100%	100%
HPL Go Private Limited	India	100%	100%
Advanced Performance Materials Private Limited	India	100%	100%
SIO2P Private Limited (formerly known as OTOC India Private Limited, changed w.e.f 1st November 2021)	India	100%	100%
HPL Industrial Parks Limited (HIPL) [incorporated with effect from 21st January, 2022]	India	100%	100%
HPL Industrial Estates Limited (HIEL) [incorporated with effect from 4th February, 2022]	India	100%	100%
Adplus Chemicals and Polymers Pvt Ltd. [incorporated with effect from 14th September, 2022]	India	100%	100%
HPL Global Pte Limited	Singapore	100%	100%
HPL Technologies BV., Netherlands* (HTS) [incorporated with effect from 17th February 2020]	Netherlands	100%	100%

*For detailed list of entities under this WOS, kindly refer the Note No: 42 on Related Party Disclosures.

2.5 Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 and Ind AS 19 respectively;

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests 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. If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer 's previously held interest in the acquiree (if any), the excess, after reassessment, is recognised in capital reserve through other comprehensive income or directly depending on whether there exists clear evidence of the underlying reason for classifying the business combination as a bargain purchase.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against Goodwill/capital reserve. Measurement period adjustments are adjustments that arise from additional information obtained during the ' measurement period ' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group ' s previously held interests (including joint operations) in the acquired entity are 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 of.

Notes forming part of Consolidated Financial Statements

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

2.6 Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are 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 the carrying amount of the unit, 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 on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal. The Group's policy for goodwill arising on the acquisition of an associate is described in Note 2.7 below.

2.7 Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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 associates or joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105.

Under the equity method, an investment in an associate or a joint venture is recognised initially 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 associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of furtherlosses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a 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 immediately in capital reserve in the period in which the investment is acquired.

The requirements of Ind AS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group ' s investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 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 is not allocated to any asset, including goodwill that 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 an associate or a joint venture. When the Group retains an interest in the former associate or a 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. The difference between the carrying amount of the associate or a 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 associate or a joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or

Notes forming part of Consolidated Financial Statements

loss previously recognised in other comprehensive income by that associate or 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 associate or joint venture is disposed off

The Group applies Ind AS 109, including the impairment requirements, to long-term interests in an associate or joint venture to which the equity method is not applied and which form part of the net investment in the investee. Furthermore, in applying Ind AS 109 to long-term interests, the Group does not take into account adjustments to their carrying amounts required by Ind AS 28 (i.e., adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with Ind AS 28).

2.8 Property, Plant and Equipment – Tangible Assets

The Group's assets, namely, Buildings and Plant & Equipment are carried at revalued amount, being respective fair value on such revaluation less accumulated depreciation and accumulated impairment losses if any. Other assets of the Group, namely, Computers and Peripherals, Electrical Equipments, Office Equipments and Vehicles along with the assets of the other member companies are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of all directly attributable expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

Capital Work in Progress is stated at cost (including borrowing cost, where applicable), incurred during construction / installation / preoperative periods relating to items or project in progress.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 or as technically determined, on a straight line basis.

Estimated useful lives of the assets are as follows-

Buildings 5-60 years

Plant and equipment 5-40 years

Furniture and fixtures 10 years

Computers 3-6 years

Vehicles 8-10 years

Depreciation on class of assets carried at fair value is recognised on such fair value on a straight line basis. In case of a revaluation increase, the difference between depreciation based on fair value of the asset and depreciation based on the asset's original cost is transferred from revaluation surplus to retained earnings on year to year basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. In respect of asset carried at cost, gain or loss arising on the disposal or retirement of the asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. In respect of asset carried at fair value, the gain or loss arising on the disposal or retirement of the asset is determined as the difference between the sale proceeds of the asset and its fair value as reduced by balance in revaluation reserve related to that asset on the date of disposal.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. For the class of assets carried at Fair Value, valuation are being reviewed on periodic basis.

Capital Work in Progress is stated at cost (including borrowing cost, where applicable and adjustment for exchange difference), incurred during construction / installation / preoperative periods relating to items or project in progress.

2.9 Intangible Assets

Intangible Assets that the Group controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant.

b. for separately acquired assets, at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Notes forming part of Consolidated Financial Statements

Other intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method.

Estimated useful life of intangible assets (other than Goodwill) : 5 -10 years.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change. The impact of such changes is accounted for as a change in accounting estimate.

2.10 Impairment

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset' s net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.11 Inventories

Inventories are stated at lower of cost and net realizable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale.

Obsolete, slow moving and defective inventories are identified periodically and, where necessary, a provision is made for such inventories.

2.12 Foreign Currency Transactions

The functional and presentation currency of the Group is Indian Rupee. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Consideration received or paid in advance in foreign currency is carried at exchange rate at which the transactions were initially recognised in the books.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks

Exchange difference arising from translating the results and financial position of foreign subsidiaries for the purpose of consolidation is recognised in Other Comprehensive Income.

2.13 Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the relevant instrument and 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 measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial Assets

Recognition: Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Notes forming part of Consolidated Financial Statements

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes.

Impairment: The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership.

Concurrently, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition: Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

Notes forming part of Consolidated Financial Statements

Derivatives

Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in the Statement of Profit and Loss immediately.

2.14 Revenue

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Revenue from the sale of goods is recognised when the Company satisfies its performance obligation by transferring goods to the buyer and the buyer obtains control of the goods which happens mainly when invoice is raised upon the customer, the amount of revenue is measured reliably and recovery of the consideration is probable. Amount received as advance from customer is recognised as revenue when the Company satisfies its performance obligations and the buyer obtains control of the goods and till that time, the amount received is held as a liability. The Company offers interest free credit period of 14 days from the date of sale and offers cash discount at applicable rate per MT for early payment, that is Day 3 of invoice date. The Company also offers quantity linked incentive schemes based on monthly offtake and the amounts payable under such schemes are recognised as expenses in respective months. The Company's sales returns are rare and the same are accounted for when such returns are accepted by the Company. Revenue is net of returns.

Revenue from services is recognised in the periods in which the services are rendered.

Revenue from contracts relating to the provision of technology licensing, engineering services, proprietary equipment supply and non-generic catalyst supply is recognized over time.

Revenue for certain contracts is recognized at a point in time and includes contracts pertaining to the supply of generic catalysts; certain proprietary equipment which are recognized upon shipment; and certain contracts for nonengineering and non-construction oriented services which are recognized when the services are performed.

2.15 Government Grant

The Group may receive government grants that require compliance with certain conditions related to the Group's operating activities or are provided to the Group by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Group will comply with the conditions attached to the grant.

Accordingly, government grants:

(a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.

(b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.

(c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable. In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

2.16 Employee Benefits

The Group makes contributions to both defined benefit and defined contribution schemes.

Provident Fund contributions are in the nature of defined contribution scheme and contribution made to recognized provident funds, approved superannuation scheme and national pension scheme are recognized in the Statement of Profit and Loss, as they are incurred.

The obligation under the defined benefit obligation, which covers Gratuity for management and non-management staff is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through other comprehensive income in the period in which they occur.

The employees of the Group are entitled to compensated leave for which the Group records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded. Contribution in respect of gratuity and superannuation for management staff are made to a Trust set up by the Group for this purpose at specified rates and adjusted against the provisions.

Notes forming part of Consolidated Financial Statements

2.17 Leases

Group as a Lessee

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116. The Group assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

a) the use of an identified asset,

b) the right to obtain substantially all the economic benefits from use of the identified asset, and

c) the right to direct the use of the identified asset.

The Group at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

Accordingly the Group has recognised right-of-use assets under the heads Land, Buildings and Plant and Equipment. The RoU assets are carried at cost except for Land of the Parent Company which is carried at fair value.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. The right-of-use assets carried at cost or at fair value 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. In case of a revaluation increase, applicable for right-of-use assets carried at fair value (Land), the difference between depreciation / amortisation based on fair value of the asset and depreciation / amortisation based on the asset's cost is transferred from revaluation surplus to retained earnings on year to year basis.

The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in Statement of Profit and Loss.

For lease liabilities at inception, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate of the respective member company.

The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in Statement of Profit and Loss.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term. Lease payments in respect of which Right of use assets have been recognised, have been classified as cash used in Financing activities.

Group as a Lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases.

Leases, for which the Group is an intermediate lessor, it accounts for the head-lease and sub-lease as two separate contracts. The sub-lease is classified as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

2.18 Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Tax Credit is recognized in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA / 115 JB of the Income Tax Act, 1961 based on convincing evidence that the Group will recover the same against normal income tax within the statutory time frame which is reviewed at each Balance Sheet Date.

Notes forming part of Consolidated Financial Statements

2.19 Provisions

Provisions are recognised when, as a result of a past event, the Group has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

2.20 Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM is responsible for allocating resources and assessing performance of the operating segments.

Based on such the Group operates in the following operating segments, viz. Petrochemicals, Technology and Others.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements. Inter-segment revenue is reported on the basis of transactions which are primarily market led. Segment results represent profits before finance charges, unallocated corporate expenses and taxes.

“Unallocated common Expenses” include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole and are not attributable to segments.

3. Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management’ s best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see para B), that the Group has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets acquired in merger. Refer notes to the financial statements.

B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1. Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

2. Fair value measurements and valuation processes:

Some of the Group ’s assets and liabilities are measured at fair value for financial reporting purposes. Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly;

Notes forming part of Consolidated Financial Statements

and

• Level 3 inputs are unobservable inputs for the asset or liability. The Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

3. Actuarial Valuation:

The determination of Group' s liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the statement of profit and loss and in other comprehensive income. Such valuation depends upon certain key assumptions like inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

4. Claims, Provisions and Contingent Liabilities:

The Group has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management ' s assessment of specific circumstances of each dispute and relevant external advice, management provides for the liability at its best estimate. Such assessments are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

5. Provision against obsolete and slow-moving inventories

The Group reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Group estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Group reassesses the estimation on each balance sheet date.

6. Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model for trade and other receivables.

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade and other receivables.

The provision matrix is based on its histroically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

7. Recognition of Government Incentives

Note 31.2 describes recognition of government incentives. In making the judgement, post implementation of GST and pending formulation of the related rules etc. by the Government of West Bengal, the Group considered the detailed criteria for recognition of government incentives as set out in Ind AS 20- Accounting for Government Grants and Disclosure of Government Assistance. Following certain positive developments and a legal opinion in support of its assessment, the Company has estimated and recognised the government incentive receivable (as per the terms of the SPA) from the Government based on State GST collected and deposited till the reporting date.

8. Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Group reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

Notes forming part of Consolidated Financial Statements

Rs. in million

Particulars	As at 31st March 2023	As at 31st March 2022
4. Property, Plant and Equipment (PPE)		
Net Carrying amounts of :		
Land (Freehold)	**2.34**	—
Buildings	**3,381.28**	2,782.48
Plant and Equipment	**72,110.91**	74,205.02
Electrical Equipment	**47.76**	58.93
Furniture and Fixtures	**96.76**	120.60
Computers and Peripherals	**96.87**	140.00
Office Equipment	**17.42**	17.53
Vehicles	**49.36**	45.45
	75,802.70	77,370.01

Particulars	As at 1st April 2021	Additions	Withdrawals and Adjustments	As at 31st March 2022	Additions	Withdrawals and Adjustments	As at 31st March 2023
Gross Carrying Amount- Cost/ Deemed Cost							
Land (Freehold)	—	—	—	—	**2.34**	—	**2.34**
Buildings	2,691.22	535.53	—	3,226.75	**748.32**	—	**3,975.07**
Plant and Equipment	92,121.95	3,810.20	0.03	95,932.12	**5,815.06**	**381.93**	**1,01,365.25**
Electrical Equipment	109.02	1.99	—	111.01	**1.33**	—	**112.34**
Furniture and Fixtures	202.82	7.97	—	210.79	**0.28**	**0.04**	**211.03**
Computers and Peripherals	264.39	53.57	—	317.96	**2.48**	**0.02**	**320.42**
Office Equipment	34.09	3.29	0.06	37.32	**6.49**	**0.06**	**43.75**
Vehicles	59.23	9.26	—	68.49	**12.18**	—	**80.67**
Total	95,482.72	4,421.81	0.09	99,904.44	**6,588.48**	**382.05**	**1,06,110.87**

Particulars	As at 1st April 2021	Charge for the year	Elimination on disposals of assets	As at 31st March 2022	Charge for the year	Elimination on disposal of PPE	As at 31st March 2023
Depreciation/ Amortisation							
Land (Freehold)	—	—	—	—	—	—	—
Buildings	311.94	132.33	—	444.27	**149.52**	—	**593.79**
Plant and Equipment	13,832.71	7,894.41	0.02	21,727.10	**7,663.88**	**136.64**	**29,254.34**
Electrical Equipment	39.14	12.94	—	52.08	**12.50**	—	**64.58**
Furniture and Fixtures	66.05	24.09	—	90.14	**24.16**	**0.03**	**114.27**
Computers and Peripherals	131.40	46.61	—	178.01	**45.56**	**0.02**	**223.55**
Office Equipment	13.82	6.01	0.04	19.79	**6.57**	**0.03**	**26.33**
Vehicles	15.95	7.09	—	23.04	**8.27**	—	**31.31**
Total	14,411.01	8,123.48	0.06	22,534.43	**7,910.46**	**136.72**	**30,308.17**

Notes:-

4.1 For details of PPE given as security against borrowing - Refer Note 22.1 and 26.1.

4.2 The Parent Company has been following the cost model for recognition of its assets. During the financial year 2018-19, the Parent Company undertook a strategic planned shutdown, during which due to extensive refurbishments, the production capacity of the Plant and Equipment increased. Consequently, management decided to reflect the fair value of plant and equipment and accordingly adopted revaluation model for such class of assets as at the end of last year. Accordingly, the plant and equipment were fair valued on 31st March 2019 by an independent valuer.

The Parent Company has adopted revaluation model for recognition of its Buildings, effective 1st April 2019 to reflect the fair value thereof in the financial statements based on valuation done by an independent valuer. This has resulted in net decrease in the carrying value of buildings by Rs 499.48 million (increase of Rs. 36.58 million in certain buildings and decrease of Rs. 536.06 million in the rest of the buildings) as shown under Note 4 to financial statements. The increase has been recognised in Other Comprehensive Income and accumulated in Other Equity under the heading Revaluation Surplus (Note 21) and the revaluation decrease, has been charged off in the Statement of Profit and Loss.

4.3 The carrying amounts that would have been recognised had the assets under Plant and Equipment and Buildings been carried under the cost model are Rs 44,072.58 million (Previous Year - Rs 42,168.37 million) and Rs 4,052.83 (Previous Year - Rs 3,416.94 million) respectively as against Rs 72,110.91 million (Previous Year - Rs 74,205.02 million) and Rs 3,381.28 million (Previous Year - Rs 2,782.48 million) recognised under the revaluation model.

4.4 All immovable properties are held in the name of the Group.

4.5 The Group does not hold any Benami Property and does not have any proceedings initiated or pending for holding benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988).

Notes forming part of Consolidated Financial Statements

Rs. in million

5. Capital Work-in-Progress

Particulars	As at 31st March 2023	As at 31st March 2022
a. Balance as at the beginning of the year	**6,773.30**	4,595.09
b. Additions during the year	**1,287.54**	5,765.44
c. TotalCapital Work-in-Progress : c = (1+b)	**8,060.84**	10,360.53
d. Less: Capitalised as Property, Plant and Equipments	**6,048.84**	3,559.06
e. Less : Provision for CWIP items	**28.17**	28.17
f. Balance as at the end of the year : f = (c-d-e)	**1,983.83**	6,773.30

5.1 CWIP ageingschedule as at 31st March 2023

	Amount in CWIP for a period of				
C W I P	**Less tha 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	335.80	1,051.30	282.94	313.79	**1,983.83**

5.2 For Capital-work-in-progress, whose completion is overdue or has execeeded its cost compared to its original plan, the completion schedule is as below :

	To be completed in				
C W I P	**Less tha 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Pipe Conveyor System	596.35	—	—	—	**596.35**
HDPE Warehouse	26.40	—	—	—	**26.40**
Magnetic LG of Polymer Plants	0.70	—	—	—	**0.70**
LPG PipeLine	39.36	—	—	—	**39.36**
Jetty Pipeline Outer Terminal 2 (Ot2)	21.73	—	—	—	**21.73**
Mov Actuators PGN & HPG Tank	4.30	—	—	—	**4.30**
Rim Seal Fire protect in Naphtha tank E	11.00	—	—	—	**11.00**
	699.84	—	—	—	**699.84**

5.3 CWIP ageing scheduleas at 31st March 2022

	Amount in CWIP for a period of				
C W I P	**Less tha 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	2,885.90	2,298.30	1,114.27	474.83	**6,773.30**

5.4 For Capital-work-in-progress, whose completion is overdue or has execeeded its cost compared to its original plan, the completion schedule is as below :

	To be completed in				
C W I P	**Less tha 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Coal furnance boiler	4,512.79	—	—	—	**4,512.79**
Butene 1 - pipeline	395.08	—	—	—	**395.08**
DJ-2	330.03	—	—	—	**330.03**
HDPE Warehouse	26.40	—	—	—	**26.40**
Bore Wells	33.49	—	—	—	**33.49**
Air Dryer	0.70	—	—	—	**0.70**
	5,298.49	—	—	—	**5,298.49**

Notes forming part of Consolidated Financial Statements

Rs. in million

Particulars	As at 31st March 2023	As at 31st March 2022
6. Right-of-use Assets (ROUA)		
Net Carrying amounts of :		
Land (Refer Note : 6.1))	**22,554.51**	**22,823.47**
Buildings	**333.15**	46.13
	22,887.66	22,869.60

Particulars	As at 1st April 2021	Additions	Withdrawals and Adjustments	As at 31st March 2022	**Additions**	**Withdrawals and Adjustments**	**As at 31st March 2023**
Gross Carrying Amount							
Land	23,727.23	21.34	—	23,748.57	**59.91**	—	**23,808.48**
Buildings	543.10	76.79	392.56	227.33	**373.10**	**205.52**	**394.91**
Total	24,270.33	98.13	392.56	23,975.90	**433.01**	**205.52**	**24,203.39**

Particulars	As at 1st April 2021	Additions	Withdrawals and Adjustments	As at 31st March 2022	**Additions**	**Withdrawals and Adjustments**	**As at 31st March 2023**
Accumulated Depreciation and impairment							
Land	616.49	308.61	—	925.10	**328.87**	—	**1,253.97**
Buildings	354.22	141.65	314.67	181.20	**86.07**	**205.51**	**61.76**
Total	970.71	450.26	314.67	1,106.30	**414.94**	**205.51**	**1,315.73**

6.1 On 1st April, 2019, the Group has adopted Ind AS 116, Leases and applied the same to all lease contracts outstanding as at 1st April, 2019. The Group has applied a single discount rate to a portfolio of leases of similar assets in similar economic environment. Consequently, the Group has recorded the lease liability at the present value of remaining lease payments, discounted using the incremental borrowing rate at the date of initial application and corresponding Right-of-use (ROU) asset at the same amount. For subsequent additions to ROU assets also, the incremental borrowing rate as applicable on the date of recognition has been considered. The Group has also decided not to recognize RoU assets and lease liabilities for leases with less than twelve months of lease term and low-value assets on the date of initial application. Post adoption of Ind AS 116, land value of Rs 11,512.47 million as on 31st March, 2019 (net of accumulated depreciation of Rs 577.76 million) has been reclassified from Property, Plant and Equipment to Right-of-use Asset as on 1st April 2019.

6.2 Comprising of Leasehold Land amounting to Rs 317.82 million (Previous Year: Rs 318.15 million) being value of land acquired at Salt Lake on 999 years lease term and Rs 22,236.69 million (Previous Year - Rs 22,505.32 million) being value of land acquired at Haldia on 99 years lease term.

6.3 The Parent Company has adopted revaluation model for recognition of Land effective 1st April 2019 to reflect the fair value of those assets in the financial statements based on valuations done by a registered valuer. This has resulted in net increase in carrying value of Land (Leasehold) by Rs 12,101.44 million as on 1st April 2019. Revaluation increase was recognised in Other Comprehensive Income and accumulated in Other Equity under the heading Revaluation Surplus (Note 21) and the revaluation decrease, had been charged off in the Statement of Profit and Loss, in the financial year 2019-20.

6.4 The carrying amounts that would have been recognised had the assets under Land been carried under the cost model is Rs 10,979.30 million (Previous Year: Rs 11,139.61 million).

Notes forming part of Consolidated Financial Statements

Rs. in million

6.5(a) The following is the break-up of current and non-current lease liabilities as at 31st March, 2022:

Particulars	Land	Building	Plant & Equipment	Total
Current lease liabilities (Refer Note: 27)	0.06	38.53	—	**38.59**
Non-current lease liabilities (Refer Note: 23)	57.40	10.73	—	**68.1**
Total	**57.46**	**49.26**	**—**	**106.72**

6.5(b) The following is the break-up of current and non-current lease liabilities as at 31st March, 2023:

Particulars	Land	Building	Plant & Equipment	Total
Current lease liabilities (Refer Note: 27)	9.04	77.10	—	**86.14**
Non-current lease liabilities (Refer Note: 23)	75.49	265.78	—	**341.27**
Total	**84.53**	**342.88**	**—**	**427.41**

6.6 The following is the movement in lease liabilities during the year ended 31st March, 2023:

Particulars	Land	Building	Plant & Equipment	Total
Balance as at April 1, 2021	36.14	212.84	—	**248.98**
Additions	21.34	76.79	—	**98.13**
Finance cost accrued during the year	4.88	13.87	—	**18.75**
Reversal of lease liability on termination of lease contract	—	88.28	—	**88.28**
Payment of lease liabilities	4.89	165.97	—	**170.86**
Balance as at March 31, 2022	57.47	49.25	—	**106.72**
Additions	59.91	373.10	—	**433.01**
Finance cost accrued during the year	9.72	16.08	—	**25.80**
Payment of lease liabilities	42.58	95.54	—	**138.12**
Balance as at March 31, 2023	**84.52**	**342.89**	**—**	**427.41**

6.7(a) The table below provides details regarding the contractual maturities of lease liabilities as at 31st March, 2022 on an undiscounted basis:

Particulars	Land	Building	Plant & Equipment	Total
Less than one year	4.86	40.73	—	**45.59**
One to five years	19.46	10.69	—	**30.15**
More than five years	330.83	—	—	**330.83**
Total	**355.16**	**51.42**	**—**	**406.58**

6.7(b) The table below provides details regarding the contractual maturities of lease liabilities as at 31st March, 2023 on an undiscounted basis:

Particulars	Land	Building	Plant & Equipment	Total
Less than one year	16.36	77.16	—	**93.52**
One to five years	50.00	265.78	—	**315.78**
More than five years	348.35	—	—	**348.35**
Total	**414.71**	**342.94**	**—**	**757.65**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

6.8(a) Amounts recognised in Statement of Profit and Loss for the year ended 31st March, 2022:

Particulars	Land	Building	Plant & Equipment	Total
Depreciation expense on right-of-use assets	308.61	141.65	(0.00)	**450.26**
Interest expense on lease liabilities	4.88	13.87	0.00	**18.75**
Expense relating to short-term leases	10.26	39.76	18.04	**68.06**

Notes forming part of Consolidated Financial Statements

Rs. in million

6.8(b) Amounts recognised in Statement of Profit and Loss for the year ended 31st March, 2023:

Particulars	Land	Building	Plant & Equipment	Total
Depreciation expense on right-of-use assets	328.87	86.07	—	**414.94**
Interest expense on lease liabilities	9.71	16.09	—	**25.80**
Expense relating to short-term leases	38.65	38.65	—	**77.30**

7. Goodwill

Particulars	As at 31st March 2023	As at 31st March 2022
Goodwill on Consolidation	**5,980.10**	**5,980.10**
Balance at the end of the year	**5,980.10**	**5,980.10**

7.1 Goodwill on Consolidation:

Goodwill represents the difference between the Parent's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Parent's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

8. Other Intangible Assets

Particulars	As at 31st March 2023	As at 31st March 2022
Net Carrying amounts of :		
Customer Base	**6,286.68**	9,566.68
Technical Know How	**4,166.83**	6,340.83
Brand	**2,311.50**	3,517.50
Technology Fees	**32.35**	37.50
Computer Software	**30.30**	36.65
	12,827.66	19,499.16

Particulars	As at 1st April 2021	Additions	As at 31st March 2022	Additions	As at 31st March 2023
Gross Carrying Amount					
Customer Base	32,526.67	—	32,526.67	—	**32,526.67**
Technical Know How	21,558.83	—	21,558.83	—	**21,558.83**
Brand	11,959.50	—	11,959.50	—	**11,959.50**
Technology Fees	113.17	—	113.17	—	**113.17**
Computer Software	73.14	1.50	74.64	**8.17**	**82.81**
Total	66,231.31	1.50	66,232.81	**8.17**	**66,240.98**

Particulars	As at 1st April 2021	Charge for the year	As at 31st March 2022	Charge for the year	As at 31st March 2023
Accumulated Amortisation					
Customer Base	19,679.99	3,280.00	22,959.99	**3,280.00**	**26,239.99**
Technical Know How	13,044.00	2,174.00	15,218.00	**2,174.00**	**17,392.00**
Brand	7,236.00	1,206.00	8,442.00	**1,206.00**	**9,648.00**
Technology Fees	70.52	5.15	75.67	**5.15**	**80.82**
Computer Software	23.60	14.39	37.99	**14.52**	**52.51**
Total	40,054.11	6,679.54	46,733.65	**6,679.67**	**53,413.32**

Notes forming part of Consolidated Financial Statements

Rs. in million

9 Intangibles Under Development:

Particulars	As at 31st March 2023	As at 31st March 2022
a. Balance as at the beginning of the year	**11.19**	7.54
b. Add: Additions during the year	**2.10**	5.93
c. Total	**13.29**	13.47
d. Less: Capitalised during the year (Refer Note 4 and 8)	**7.89**	2.28
e. Intangibles under development pending allocation as on 31st March: e=(c-d)	**5.40**	11.19

9.1 Intangibles Under Development ageing schedule as at 31st March 2023:

	Amount in Intangibles Under Development for a period of				
Intangibles Under Development	**Less than**	**1-2 years**	**2-3 years**	**More than**	**Total**
Projects in progress	2.10	0.74	0.96	1.60	**5.40**

9.2 Intangibles Under Development ageing schedule as at 31st March 2022:

	Amount in Intangibles Under Development for a period of				
Intangibles Under Development	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	4.23	1.45	3.91	1.60	**11.19**

10 Non Current Investments

Particulars	As at 31st March 2023	As at 31st March 2022
A Investments carried at Cost		
Investments in unquoted Equity Instruments - fully paid		
Associate:		
TCG Centres For Research And Education In Science And Technology (TCG Crest)		
[Formerly: Global Institute Of Science And Technology (GIST)]		
50,000 (31st March 2022 : 50,000) Equity Shares of Rs 10/- each	**0.50**	0.50
Investments in Partnership Capital		
Joint Venture:		
Illuminate Aggregator LP (Refer Note 10.1)	**48,805.08**	44,938.57
Less: Group Share of Profit / (Loss) upto 31.12.2022	**(3,679.84)**	(4,046.36)
Investments in Equity Capital		
Joint Venture:		
Five P Development Company B.V.	**12.33**	11.17
Less: Group Share of Profit / (Loss) upto 31.03.2023	**(8.07)**	(0.19)
TOTAL INVESTMENTS CARRIED AT COST [A]	**45,130.00**	40,903.69
B Investment carried at Amortised Cost		
Investment in Quoted Non Convertible Bonds (Refer Note 10.2)	**8,003.46**	5,478.15
TOTAL INVESTMENTS CARRIED AT AMORTISED COST [B]	**8,003.46**	5,478.15
C Investments carried at fair value through Profit and Loss		
Unquoted Investments in Equity Instruments- fully paid		
Haldia Integrated Development Agency Limited		
5,000 (31st March 2022 : 5,000) Equity Shares of Rs 10/- each	**0.05**	0.05
Investments in Partnership Capital		
Union Co Investments Holding LP	**2,712.95**	3,133.10
TOTAL INVESTMENTS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS [C]	**2,713.00**	3,133.15
TOTAL NON-CURRENT INVESTMENTS (A+B+C) -	**55,846.46**	49,514.99

Notes forming part of Consolidated Financial Statements

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Particulars	As at 31st March 2023	As at 31st March 2022
Aggregate Value of Quoted Investments	**8,003.46**	5,478.15
Aggregate Market Value of Quoted Investments	**7,888.99**	5,545.51
Aggregate Value of Unquoted Investments	**47,843.00**	44,036.84

10.1 The financial statements of the parent and its subsidiaries, associates and joint ventures used in the preparation of the consolidated financial statements have the same reporting date, that is March 31, except for Illuminate Aggregator LP, a joint venture, which closes its financial statements as at 31st December and has accordingly been considered for consolidation based on such financial statements, adjusted for the effects of significant transactions or events, if any, occurring between the date of those financial statements (that is, December 31) and the date of the consolidated financial statements (that is, March 31 next following).

Illuminate Aggregator LP, which is incorporated in US prepares its financials for local jurisdiction in US having reporting date of December 31. Till last year additional financial statements were being prepared to the same date as those of the parent for use in preparing consolidated financial statements as of March 31. Subsequent to parent company becoming listed and requirement to submit its results within 60 days from year end of March 31, it is now not practicable to prepare additional financial statements upto March 31 considering the changes in time lines. Accordingly, the consolidated financial statements of HPL for the year to 31 March 2023 includes 9 months of such JV's profits ending on 31 December 2022. By comparison, the group's published financial statements for the year to 31 March 2022 include 12 months of such JV's profits/losses ending on 31 March 2022. Therefore, the consolidated financial statements prepared for the year to 31 March 2023 include comparatives that are not truly comparable. However, the impact of 3 months profits/losses is not material to the consolidated financial statements.

Particulars	As at 31st March 2023		As at 31st March 2022	
	Units	Amortised Cost	Units	Amortised Cost
10.2 Investment in Quoted Non Convertible Bonds				
7.17% Government Of India Bonds 2028	**1,75,00,000**	**1,702.59**	1,75,00,000	1,702.59
7.95% LIC Housing Finance Limited	**35,00,000**	**355.21**	35,00,000	355.21
6.68% Government of India Bonds 2031	**25,00,000**	**260.30**	25,00,000	260.30
9.19% LIC Housing Finance Limited	**—**	**—**	5,00,000	53.06
6.17% LIC Housing Finance Limited 2026	**25,00,000**	**249.51**	25,00,00	249.51
7.79% LIC Housing Finance Limited 2024	**25,00,000**	**263.50**	25,00,000	263.50
7.18% Maharashtra State Development Loan 2029	**25,00,000**	**246.50**	25,00,000	246.50
5.47% Power Finance Corporation Bonds 2023	**—**	**—**	35,00,000	350.66
5.69% Rural Electrification Corporation Limited Bond (Series 202-B)	**—**	**—**	50,00,000	503.34
5.94 %Rural Electrification Corporation Limited Bond (Series 205-B)	**50,00,000**	**489.46**	25,00,000	249.23
6 % Housing Development Finance Corporation Limited Bonds (Series - Z001)	**1,00,00,000**	**984.91**	50,00,000	497.35
9.05 % Housing Development Finance Corporation Limited Bonds (Series - U004)	**—**	**—**	3,00,000	31.78
8.35% Housing Development Finance Corporation Limited Bonds	**30,00,000**	**326.44**	30,00,000	326.44
5.78% Housing Development Finance Corporation Limited Bonds 2025	**35,00,000**	**344.73**	35,00,000	344.73
9.24% Housing Development Finance Corporation Limited Bonds 2024	**4,00,000**	**43.95**	4,00,000	43.95
7.52% Rural Electrification Corporation Limited Bond 2026	**15,00,000**	**155.80**	—	—
5.9943% LIC Housing Finance Limited 2025	**25,00,000**	**247.00**	—	—
6.50% Power Finance Corporation Bond 2025	**25,00,000**	**245.52**	—	—
7.90% LIC Housing Finance Limited Bond 2027	**75,00,000**	**753.99**	—	—
7.40% Housing Development Finance Corporation Limited Bonds 2025	**50,00,000**	**499.80**	—	—
7.35% NABARD 2025	**50,00,000**	**501.49**	—	—
6.43% Housing Development Finance Corporation Limited Bonds 2025	**24,00,000**	**232.76**	—	—
7.32% Rural Electricification Corporation Ltd Bond 2026	**10,00,000**	**100.00**	—	—
		8,003.46		5,478.15

10.3 Investments in joint ventures

(a) The Group holds more than 50% of the equity in Lummus Technology Holdings V LLC through partnership in Illuminate Aggregator LP. However, decisions in respect of activities which significantly affect the risks and rewards of these businesses, require a unanimous consent of both the group and Union LA Holdings (joint venturer). This is a material joint venture of the Group.

The Group also hold 150000 shares in Five P Development Company B.V. which constitutes 50% of the overall equity in a joint venture with TCG Technology Services B.V. This is an immaterial joint venture of the Group.

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Rs. in million

(b) Details of material joint venture at the end of reporting period are as follows:

Name of joint venture	Principal activity	Place of incorporation and and principal place of business	Proportion of ownership interest and voting rights held by the Group As at 31st December 2022	As at 31st March 2022
Illuminate Aggregator LP, Delaware, US	Developer and licensor of mission critical proprietary process technologies	USA	**55.664**	**55.664**

The above joint venture is accounted for using the equity method in these consolidated financial statements as set out in the Group's accounting policies in Note 2.

(c) Summarised financial information of material joint venture

Summarised financial information in respect of above mentioned Group ' s material joint venture is set out below. The summarised financial information below represents amounts in joint ventures' financial statements [adjusted by the Group for equity accounting purposes].

Particulars	Illuminate Aggregator LP, Delaware, US As at 31st Dec. 2023 Refer Note 10.1	As at 31st March 2022
Non-current assets	**2,00,318.18**	1,87,742.65
Current assets	**33,536.11**	33,793.97
Non-current liabilities	**1,22,309.08**	1,12,414.73
Current liabilities	**30,439.66**	35,588.25
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	**6,928.05**	11,005.45
Current financial liabilities (excluding trade and other payables and provisions)	**19,637.30**	25,519.25
Non-current financial liabilities (excluding trade and other payables and provisions)	**1,15,909.04**	1,06,312.79
Revenue	**35,227.54**	45,019.11
Profit/(loss) for the year/period (after tax)	**199.00**	656.98
Other comprehensive income attributable to owners of the Company	**460.21**	324.05
Total comprehensive income/(Loss)	**659.21**	981.03
The above profit (loss) for the year/period include the following:		
• Depreciation and amortisation	**4,909.37**	7,611.40
• Interest expense	**6,765.50**	7,189.36
• Income tax expense (income)	**1,218.17**	(425.69)

(d) Reconciliation of the above summarised financial information to the carrying amount of the interest in Joint venture recognised in the consolidated financial statements:

Particulars	Illuminate Aggregator LP, Delaware, US As at 31st Dec. 2023 Refer Note 10.1	As at 31st March 2022
Net assets of joint venture	**81,105.56**	73,533.65
Proportion of the Group's ownership interest in the joint venture	**55.66**	55.66
Carrying amount of the Group's interest in the joint venture	**45,146.60**	40,931.77
Add/(less): Impact of dilution of investments as at year/period end (including exchange gain/loss)	**(21.36)**	(39.56)
Net Carrying amount of the Group's interest in the joint venture	**45,125.24**	40,892.21

(e) Break-up of investments in immaterial joint venture

Particulars	As at 31st March 2023	As at 31st March 2022
Unquoted investments in equity shares		
At Cost		
Five P Development Company B.V.	**1,50,000**	**12.33**
Total	**1,50,000**	**12.33**
Aggregate carrying amount of unquoted investments	**1,50,000**	**12.33**

The aggregate summarised financial information in respect of the Group's immaterial joint venture accounted for using the equity method is as below:

Particulars	As at 31st March 2023	As at 31st March 2022
Carrying value of Group's interest in joint venture		
Group's share in profit/(loss) for the year	**(7.88)**	(0.39)
Group's share in other comprehensive income for the year	**1.16**	0.20
Group's share in total comprehensive income	**(6.72)**	(0.19)

Notes forming part of Consolidated Financial Statements

Rs. in million

10.4 Investments in Associates

(a) Break-up of investments in associates

Particulars	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	Amount	Number of Shares	Amount
Unquoted investments in equity shares				
At cost	**50,000**	**0.50**	50,000	0.50
Total	**50,000**	**0.50**	50,000	0.50
Aggregate carrying amount of unquoted investments	**50,000**	**0.50**	50,000	0.50

The Group holds 50% in equity share capital of TCG Crest which has been registered under Section 8 of the Companies Act, 2013. Following the applicable provisions of the Act, TCG Crest cannot pay dividend to its members. Accordingly the Group has not recognised its share of profit or loss in TCG Crest following equity method of accounting.

Particulars	Non-Current		Current	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
11 Loans - Carried at Amortised Cost				
Loans and Advances to related parties (Refer Note 11.1 and 42)				
Loans - Secured, Considered good	**1,000.00**	—	**4,263.48**	3,931.09
Loans - Unsuecured, Considered good	**3,494.22**	—	**1,109.93**	4,093.58
(A)	**4,494.22**	—	**5,373.41**	8,024.67
Others:				
Loans to employees - Unsecured, Considered good	**1.23**	1.58	1.52	0.72
(B)	**1.23**	1.58	**1.52**	0.72
Total (A+B)	**4,495.45**	1.58	**5,374.93**	8,025.39

Particulars	Non-Current		Current	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
11.1 Loans to related parties:				
TCG Urban Infrastructure Holdings Private Limited (Refer Note: 11.2)	**1,000.00**	—	—	—
MCPI Holdings Ltd (Refer Note: 11.3)	**2,877.59**	—	—	2,653.25
TCG Life Sciences Mauritius Ltd (Refer Note: 11.4)	—	—	**4,263.48**	3,931.09
CSL Holdings (Mauritius) Limited	**616.63**	—	—	568.55
Five P Development Co. B.V.	—	—	**863.28**	644.36
Chatterjee Fund Management, L.P	—	—	**246.65**	227.42
	4,494.22	—	**5,373.41**	8,024.67

11.2 Loan from the Parent Company to TCG Urban Infrastructure Holdings Pvt Ltd (TCGUIH) for Rs 1,000 million given for corporate purposes on 15th March, 2023 repayable within 60 months from the date of disbursement. The Loan is secured by pledge of 91,317 equity shares of Bengal Intelligent Parks Limited held by TCGUIH.

11.3 Loan from HPL Global Pte Ltd to MCPI Holdings Ltd

11.4 Loan from HPL Global Pte Ltd to TCG Life Science Mauritius Limited

Nature of security:

Pledge of 37.5% of class A shares of the TCG Life Science Mauritius Limited in favour of the Company, held by CSL Holdings (Mauritius) Ltd.

11.5 The Parent Company and its subsidiaries which are companies incorporated in India have not advanced or given any loan or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

11.6 The loans to related parties have been given to meet their long-term capital requirement on terms and conditions decided on arm's length basis.

Notes forming part of Consolidated Financial Statements

Rs. in million

Particulars		Non-Current		Current	
		As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
12 Other Financial Assets					
Recoverable from Related Parties	**(A)**	—	—	**3.21**	1.45
Security Deposits					
Considered good		**4,151.49**	3,829.90	**34.61**	1.72
Considered Doubtful		—	—	—	0.31
		4,151.49	3,829.90	**34.61**	2.03
Less: Allowance for doubtful deposit		—	—	—	(0.31)
	(B)	**4,151.49**	3,829.90	**34.61**	1.72
Advances					
Considered good		—	—	—	0.09
Considered Doubtful		—	—	—	8.95
Less: Allowance for doubtful advances		—	—	—	(8.86)
	(C)	—	—	—	0.09
Interest accrued on fixed deposits	**(D)**	**79.26**	9.23	**76.07**	15.98
Interest accrued on security deposits	**(E)**	—	—	**25.34**	23.37
Interest accrued on Quoted Non Convertible Bonds	**(F)**	—	—	**304.00**	172.52
Interest accrued on loans to related parties	**(G)**	—	—	**96.15**	66.36
Receivable from Gratuity Fund	**(H)**	**10.57**	—	—	—
Bank deposits with more than 12 months maturity [Refer Note 12.1]	**(I)**	**10,309.53**	126.21	—	—
Forward Contract securing Trade Receivables net off Payables	**(J)**	—	—	**3.01**	—
Options Contract entered for securing trade payables net of receivables	**(K)**	—	—	**4.12**	—
Interest Rate Swap securing bond interest	**(L)**	—	—	**4.21**	—
Other Receivables	**(M)**	—	—	**35.03**	59.68
Total (A+B+C+D+E+F+G+H+I+J+K+L+M)		**14,550.85**	3,965.34	**585.75**	341.17

12.1 Under lien with lenders as Margin Money for Letter of Credit and Bank Guarantee utilised to the extent of Rs 7,180.49 million (31st March 2022: Rs 19.80 million)

13. Income Tax Assets (Net)

Particulars	As at 31st March 2023	As at 31st March 2022
Advance income-tax (Net of provisions)	**435.32**	1,755.63
	435.32	1,755.63

A Income Tax Expense/ (Benefits)

The Parent and the subsidiary situated in India is subject to income tax in India on the basis of standalone financial statements. As per the Income Tax Act, the Company is liable to pay income tax which is the higher of regular income tax payable and the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT).

MAT paid in excess of regular income tax during a year can be carried forward for a period of 15 years and can be set-off against future tax liabilities.

Taxation Laws (Amendment) Act, 2020 has introduced Section 115BAB effective financial year 2019-2020 which provides an option to the domestic companies to pay income tax at lower rate of 22% (against regular income tax rate of 30%) with restriction on certain allowances and benefits available under regular tax. Comparative income tax positions under both options are reviewed by the management of respective companies, as applicable, on an annual basis, taking into consideration the company's current operational results, future business plan and other relevant factors based on which the company will switch over to lower rate of tax at appropriate time.

Notes forming part of Consolidated Financial Statements

Rs. in million

13. Income Tax Assets (Net)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit before tax	**(10,001.99)**	3,693.72
Statutory Income Tax Rate	**34.944%**	34.944%
Income tax expense at applicable tax rates	**(3,495.10)**	1,290.72
(i) Items not deductible *	**87.16**	61.71
(ii) Effect of change in tax rates	**(318.95)**	(45.82)
(iii) Adjustment due to utilisation of brought forward tax losses	**(342.92)**	(6.69)
(iv) Unrecognised Deferred Tax Liabilities/Assets on Fair Valuation of Preference Shares	**82.59**	(106.67)
(v) Unrecognised Deferred Tax Assets on losses for the year	**1,042.79**	557.59
(vi) Undistributed earning of joint ventures (equity accounted investment)	**(35.91)**	(127.51)
(vii) Others	**(14.85)**	(31.13)
Total Tax Expense recognised in Statement of Profit and Loss	**(2,995.19)**	1,592.20

* Items not deductible mainly includes permanent differences on account of Ind AS Adjustments of the Income Tax Act, 1961 (IT Act).

B1 Components of Net Deferred Tax Liabilities as at 31st March, 2023 is as below:

Particulars	Balance as at 1st April, 2022	Recognised in Statement of Profit and Loss	Recorded in Other Comprehensive Income	Balance as at 31st March, 2023
Deferred Tax Assets				
Unabsorbed Depreciation carried forward	9,345.29	479.38	—	**9,824.67**
Provisions	478.60	(261.86)	—	**216.74**
Disallowances u/s 43B of IT Act	143.65	(60.97)	(3.46)	**79.22**
Right-0f-use asset net of lease liability	1.63	(1.90)	—	**(0.27)**
Devaluation of Building	145.74	(13.86)	—	**131.88**
	10,114.91	140.79	(3.46)	**10,252.24**
Deferred Tax Liabilities				
Fiscal allowances on Property, plant and equipment and intangible assets	29,544.66	(2,986.64)	—	**26,558.02**
Other timing differences	812.24	(500.11)	110.16	**422.29**
	30,356.90	(3,486.75)	110.16	**26,980.31**
Net deferred tax assets / (liabilities) [a]	(20,241.99)	3,627.54	(113.62)	**(16,728.07)**
MAT Credit Entitlement				
MAT Credit Receivable	5,469.60	(186.67)	—	**5,282.93**
Total MAT Credit Receivable [b]	**5,469.60**	**(186.67)**	**—**	**5,282.93**
Net deferred tax assets / (liabilities) [c]=[a]+[b]	**(14,772.39)**	**3,440.87**	**(113.62)**	**(11,445.14)**

Notes forming part of Consolidated Financial Statements

Rs. in million

B2 Components of Net Deferred Tax Liabilities as at 31st March, 2022 is as below:

Particulars	Balance as at 1st April, 2021	Recognised in Statement of Profit and Loss	Recorded in Other Comprehensive Income	Balance as at 31st March, 2022
Deferred Tax Assets				
Unabsorbed Depreciation carried forward	11,616.07	(2,627.79)	—	**8,988.28**
Provisions	443.95	34.65	—	**478.60**
Disallowances u/s 43B of IT Act	2,210.01	(2,077.59)	11.23	**143.65**
Right-0f-use asset net of lease liability	55.30	(53.67)	—	**1.63**
Devaluation of Building	159.60	(13.86)	—	**145.74**
	14,484.93	(4,738.26)	11.23	**9,757.90**
Deferred Tax Liabilities				
Fiscal allowances on Property, plant and equipment and intangible assets	32,507.61	(3,423.98)	—	**29,083.63**
Other timing differences	751.63	(55.51)	100.56	**796.68**
	33,259.24	(3,479.49)	100.56	**29,880.31**
Net deferred tax assets / (liabilities) [a]	(18,774.32)	(1,258.77)	(89.33)	**(20,122.41)**
MAT Credit Entitlement				
MAT Credit Receivable	5,078.46	270.00	—	**5,348.46**
Total MAT Credit Receivable [b]	5,078.46	270.00	—	**5,348.46**
Net deferred tax assets / (liabilities) [c]=[a]+[b]	(13,695.86)	(988.77)	(89.33)	**(14,773.95)**

The Company has following unutilised MAT Credit under Income Tax Act, 1961 for which deferred tax assets has been recognised in the Balance Sheet as at 31st March, 2023:

Financial Year	Amount	Expiry Date
2016-17	2,511.87	2031-32
2017-18	169.02	2032-33
2020-21	2,286.89	2035-36
2021-22	315.15	2036-37
TOTAL	**5,282.93**	

C. Components of Net Deferred Tax Assets as at 31st March, 2023 is as below:

Particulars	Balance as at 1st April, 2022	Recognised in Statement of Profit and Loss	Recorded in Other Comprehensive Income	Balance as at 31st March, 2023
Deferred Tax Assets				
Disallowances u/s 43B of IT Act	—	**1.05**	**0.10**	**1.15**
	—	**1.05**	**0.10**	**1.15**
Deferred Tax Liabilities				
Fiscal allowances on Property, plant and equipment and intangible assets	—	—	—	—
Net deferred tax assets / (liabilities) [a]	—	**1.05**	**0.10**	**1.15**
Net deferred tax assets / (liabilities) [c]=[a]+[b]	—	**1.05**	**0.10**	**1.15**

Notes forming part of Consolidated Financial Statements

Rs. in million

D. Components of Net Deferred Tax Assets as at 31st March, 2022 is as below:

Particulars	Balance as at 1st April, 2022	Recognised in Statement of Profit and Loss	Recorded in Other Comprehensive Income	Balance as at 31st March, 2023
Deferred Tax Assets				
Tax-loss carried forward	71.92	(71.92)	—	—
Unabsorbed Depreciation carried forward	360.25	(3.25)	—	**357.01**
	432.17	(75.17)	—	**357.01**
Deferred Tax Liabilities				
Fiscal allowances on Property, plant and equipment and intangible assets	460.37	0.66	—	**461.03**
Other timing differences	—	15.56	—	**15.56**
	460.37	16.22	—	**476.59**
Net deferred tax assets / (liabilities) [a]	(28.20)	(91.40)	—	**(119.59)**
MAT Credit Entitlement				
MAT Credit Receivable	75.99	45.15	—	**121.14**
Total MAT Credit Receivable [b]	75.99	45.15	—	**121.14**
Net deferred tax assets / (liabilities) [c]=[a]+[b]	47.79	(46.25)	—	**1.55**

The Company has following unutilised MAT Credit under the Income Tax Act,1961 for which deferred tax assets has been recognised in the Balance Sheet as at 31st March, 2023:

Particulars	As at 31st March 2023		As at 31st March 2022	
14 Inventories				
Raw Materials		**7,268.99**		8,898.63
Work in progress		**364.49**		431.02
Finished Goods #		**1,597.52**		3,820.55
By products - Chemicals		**2,041.17**		1,892.63
Stores and Spares	**3,204.26**		2,998.49	
Less : Provision for non-moving / obsolete items (net)	**(75.07)**	**3,129.19**	(280.55)	2,717.94
Loose Tools		**17.24**		17.85
Chemicals, Catalysts and Additives		**1,108.84**		1,056.85
Packing Materials	**29.67**		23.84	
Less : Provision for non-moving / obsolete items (net)	**(0.09)**	**29.58**	(0.09)	23.75
Trading Goods		**56.19**		0.62
Total		**15,613.21**		18,859.84

At the period end provision has been created due to net realisable value being lower than cost in certain cases aggregating to Rs * million (31st March 2022 : 54.49 million)

* Amount is below the rounding off norm adopted by the Company.

Notes forming part of Consolidated Financial Statements

Rs. in million

14.1 The above includes Stock-In-Transit as under:

Particulars	As at 31st March 2023	As at 31st March 2022
Raw Materials	**3,096.01**	171.89
Finished Goods	**243.95**	—
Stores and Spares	**472.24**	119.87
Chemicals, Catalysts and Additives	**103.41**	109.89
Total	**3,915.61**	401.65

15 Current Investments

Particulars	As at 31st March 2023	As at 31st March 2022
Investments carried at fair value through Statement of Profit and Loss		
Quoted		
Investment in Mutual Fund	**1,460.41**	—
Unquoted		
Investment in Mutual Fund	**11,993.19**	23,564.41
Investment in Alternative Investment Fund	**1,254.67**	1,267.87
Investment carried at Amortised Cost		
Quoted		
Investment in Non Convertible Bonds	**938.84**	565.26
Total	**15,647.11**	25,397.54

Investment in Mutual Fund and Bonds are under lien with lenders as Margin Money for Letter of Credit and Bank Guarantee utilised to the extent of Rs.5,370.00 million (31st March, 2022 - Rs. 11,540.80 million) and Rs. NIL (31st March, 2022 - 3,410.00 million) respectively.

Particulars	As at 31st March 2023		As at 31st March 2022	
	Units	Market Value	Units	Market Value
15.1 Investment in Mutual Fund				
Quoted				
Kotak Nifty SDL APR 2027 Index Fund Dir-Growth	**1,21,84,500.00**	**126.33**	—	—
SBI Fixed Maturity Plan (FMP)- Series 66 (1361 Days) Direct Growth	**5,00,20,821.32**	**524.96**	—	—
SBI Fixed Maturity Plan (FMP)- Series 75 (366 Days) Direct Growth	**5,00,14,927.49**	**508.48**	—	—
Franklin India Savings Fund- Direct Plan- Growth	**68,70,462.42**	**300.64**	—	—
		1,460.41	—	—
Unquoted:				
Axis Overnight Fund Direct growth	—	—	7,58,678.11	852.63
Birla Sun Life Money Manager Fund - Growth - Direct Plan Floating	—	—	41,31,531.19	1,234.96
Birla Sunlife Corporate Bond Fund - Growth - Direct plan	—	—	91,07,235.48	830.63
Birla Sunlife Overnight Fund - Growth - Direct plan	—	—	87,031.10	100.06
Birla Sunlife Floating Rate Fund - Growth - Direct plan	**8,38,500.00**	**251.20**	11,37,220.40	322.46
BNP Paribas Liquid Fund	**2,12,294.37**	**551.00**	—	—

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Rs. in million

Particulars	As at 31st March 2023		As at 31st March 2022	
	Units	Market Value	Units	Market Value
Birla Sunlife Low Duration Fund Growth Dir Plan	—	—	4,46,954.69	258.50
Aditya Birla Sunlife CRISIL IBX AAA - Jun 2023	**14,51,65,306.93**	**1,528.81**	—	—
Aditya Birla Sunlife Nifty SDL PSU Bond Sept 2026 Direct Growth	**8,28,52,500.00**	**868.96**	—	—
Canara Robeco Overnight Fund	**43,102.69**	**50.00**	90,879.69	100.00
DSP Saving Fund	**21,74,366.85**	**100.00**	1,38,45,789.47	605.93
DSP Overnight Fund - Direct Growth	—	—	10,99,292.57	1,251.41
ICICI Prudential Equity-Arbitrage Fund	—	—	43,80,075.40	501.99
ICICI Prudential Corporate Bond Fund Direct Plan Growth	**3,92,78,039.88**	**1,022.32**	4,94,96,561.47	1,216.94
ICICI Prudential Nifty PSU Bond Plus SDL Sep 2027 40:60 Index DP Growth	**5,01,28,837.68**	**524.90**	—	—
IDFC Money Manager Fund - Growth (Direct Plan)	—	—	2,41,73,459.69	844.15
IDFC Cash Fund- Growth (Direct Plan)	**36,802.73**	**100.05**	—	—
JM Liquid Fund (Formerly Known as JM High Liquidity Fund)	**16,25,485.64**	**100.04**	—	—
KOTAK Equity Arbitrage Fund	—	—	4,41,017.65	500.03
LIC MF Savings Fund	—	—	29,24,300.70	100.70
Nippon India/Reliance Money Market Fund - Direct Growth Plan Growth Option	**2,48,683.44**	**882.21**	3,37,037.93	1,129.27
Nippon India/Reliance Banking & PSU Debt Fund - Direct Growth Plan	—	—	—	—
Nippon India/Reliance Low Duration Fund - Direct Growth Plan	**4,98,000.00**	**1,663.48**	5,81,918.97	1,843.98
Nippon India/Reliance Floating Rate Fund - Direct Growth Plan	**1,28,28,935.00**	**506.94**	5,85,17,533.67	2,208.71
Nippon India Overnight Fund	—	—	87,66,710.71	1,000.45
Nippon India Nifty AAA CPSE Bond Plus SDL	**5,07,41,368.59**	**522.83**	—	—
Mirae Asset Overnight Night Fund-Growth Growth	**15,327.18**	**17.61**	—	—
JM Liquid Fund-(Direct)-Growth Option(452)	**49,04,146.98**	**301.93**	—	—
Kotak Mutual Fund	**41,928.22**	**50.14**	—	—
Sundaram Liquid Fund-Direct Plan Growth	**17,629.14**	**35.04**	—	—
Sundaram Overnight Fund Direct Growth	**1,25,954.51**	**150.02**	—	—
SBI Banking and PSU Fund Direct growth / Treasury Advantage Fund	—	—	13,25,036.42	3,535.24
SBI Short term Debt Fund Direct Plan Growth	—	—	8,11,92,211.13	2,210.81
SBI Overnight Fund Direct Plan Growth	—	—	2,16,689.89	750.04
SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund	**9,97,93,495.36**	**1,039.38**	9,97,93,495.36	1,010.45
SBI Fixed Maturity Plan - Series 69	**5,00,46,522.31**	**515.78**	—	—
SBI Fixed Maturity Plan - Series 71	**4,99,89,931.82**	**513.46**	—	—
TATA Liquid Fund - Direct Plan(G)	**42,254.23**	**150.06**	—	—
UTI Floater Fund-Direct Growth	**4,12,997.00**	**547.03**	7,98,597.00	1,004.97
UTI-Overnight Fund Direct Growth Plan	—	—	51,581.60	150.10
		11,993.19		23,564.41
15.2 Investment in Alternative Investment Fund				
TCGFund1 Class A	**49,42,500.00**	**575.65**	49,42,500.00	552.22
TCGFund1 15122017 Class A	**49,48,832.62**	**499.49**	49,48,832.62	636.12
NP1-Capital Trust	—	**179.53**	—	79.53
		1,254.67		1,267.87

Notes forming part of Consolidated Financial Statements

Rs. in million

Particulars	As at 31st March 2023		As at 31st March 2022	
	Units	Market Value	Units	Market Value7
15.3 Investment in Non Convertible Bonds				
9.35% Rural Electrification Corporation Limited 15/6/2022	—	—	—	262.27
7.45% Rural Electrification Corporation Limited Bond (Series 155)	—	—	—	50.74
7.09% Rural Electrification Corporation Limited Bond 2022	—	—	—	252.25
9.19% LIC Housing Finance Limited	**5,00,000.00**	**53.06**	—	—
5.47% Power Finance Corporation Limited 2023	**35,00,000.00**	**350.66**	—	—
5.69% REC Limited Bonds (Series 202-B) 30/09/2023	**50,00,000.00**	**503.34**	—	—
9.05% HDFC NCD (Series U-004) 20/11/2023	**3,00,000.00**	**31.78**	—	—
		938.84		565.26
		15,647.11		25,397.54
Aggregate Value of Quoted Investments			**2,399.25**	565.26
Aggregate Market Value of Quoted Investments			**2,384.86**	555.65
Aggregate Value of Unquoted Investments			**13,247.86**	24,832.28

Particulars	As at 31st March 2023	As at 31st March 2022
16 Trade Receivables		
(I) Secured, considered good	**917.87**	857.17
(ii) Unsecured, considered good	**2,805.55**	2,474.39
(iii) Credit impaired	**3.85**	4.17
Less: Loss allowance	**(3.85)**	(4.17)
Total	**3,723.42**	3,331.56

16.1 The secured trade receivables are secured by security deposit and bank guarantee held by the Parent Company.

16.2 Trade Receivables ageing schedules as at 31.03.2023:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(I) Undisputed Trade receivables — considered good	**3,677.78**	**7.38**	**15.81**	**13.55**	**8.90**	**3,723.42**
(ii) Undisputed Trade Receivables — credit impaired	**—**	**—**	**—**	**—**	**3.85**	**3.85**
Sub-Total:	**3,677.78**	**7.38**	**15.81**	**13.55**	**12.75**	**3,727.27**
Less: Allowances for Credit Impairment	**—**	**—**	**—**	**—**	**3.85**	**3.85**
Total:	**3,677.78**	**7.38**	**15.81**	**13.55**	**8.90**	**3,723.42**

16.3 Trade Receivables ageing schedules as at 31.03.2022:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(I) Undisputed Trade receivables — considered good	3,286.97	14.93	20.31	1.68	7.67	3,331.56
(ii) Undisputed Trade Receivables — credit impaired	—	—	—	—	4.17	4.17
Sub-Total:	3,286.97	14.93	20.31	1.68	11.84	3,335.73
Less: Allowances for Credit Impairment	—	—	—	—	4.17	4.17
Total:	**3,286.97**	**14.93**	**20.31**	**1.68**	**7.67**	**3,331.56**

Notes forming part of Consolidated Financial Statements

Rs. in million

Particulars	As at 31st March 2023	As at 31st March 2022
17 Cash and Cash Equivalents:		
(a) Balances with banks:		
Unrestricted Balances with Bank	**776.28**	1,732.51
(b) Cash in hand	**0.79**	0.72
(c) Deposits with original maturity not exceeding three months *	**67.47**	2,130.73
Total Cash and Cash Equivalents	**844.54**	3,863.96
Bank balances other than (a) and (c) above		
Deposits with original maturity beyond three months but not exceeding twelve months *	**2,698.54**	1,245.22
	2,698.54	1,245.22

* Under lien with lenders as Margin Money for Letter of Credit and Bank Guarantee utilised to the extent of Rs NIL (31st March 2022 - Rs 380.20 million)

Particulars		Non-Current		Current	
		As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
18 Other Assets					
Capital advances	**(A)**	**226.68**	218.44	**—**	1.05
Security Deposit					
Secured					
Considered good		**42.32**	42.42	**2.12**	2.12
	(B)	**42.32**	42.42	**2.12**	2.12
Balances with statutory / government authorities					
Considered good		**305.45**	224.78	**3,783.14**	2,476.32
Considered Doubtful		**—**	—	**51.80**	68.50
		305.45	224.78	**3,834.94**	2,544.82
Less: Provision for doubtful balances with statutory / government authorities		**—**	—	**(51.80)**	(68.50)
	(C)	**305.45**	224.78	**3,783.14**	2,476.32
Advances to suppliers of goods and services					
Considered good		**0.01**	—	**2,436.56**	2,687.79
Considered Doubtful		**—**	—	**711.75**	177.21
		0.01	—	**3,148.31**	2,865.00
Less: Provision for doubtful advances to suppliers		**—**	—	**(711.75)**	(177.21)
	(D)	**0.01**	—	**2,436.56**	2,687.79
Accruals under Duty Exemption Scheme pertaining to exports	(E)	**—**	—	**74.58**	67.40
Accruals under Incentive Scheme [Refer Note 31.2]	(F)	**14,579.34**	10,847.40	**—**	—
Others					
Prepayments		**3.97**	4.56	**240.21**	302.41
Other Current Assets				**18.00**	
	(G)	**3.97**	4.56	**258.21**	302.41
Total (A+B+C+D+E+F+G)		**15,157.77**	11,337.60	**6,554.61**	5,537.09

Notes forming part of Consolidated Financial Statements

Rs. in million

19 Equity Share Capital

Particulars	As at 31st March 2023	As at 31st March 2022
Authorised Share Capital		
5,900,000,000 (31st March 2022 : 5,900,000,000) Equity Shares of Rs. 10/- each	**59,000.00**	59,000.00
Issued, Subscribed and paid-up share capital		
1,687,938,532 (31st March 2022 : 1,687,938,532) Equity Shares of Rs 10/- each	**16,879.39**	16,879.39
	16,879.39	16,879.39

19.1 Movement in subscribed and paid-up share capital:

Particulars	Number of Shares	Share Capital
Balance as at 1st April, 2021	**1,68,79,38,532.00**	**16,879.39**
Movements	—	—
Balance as at 31st March, 2022	**1,68,79,38,532.00**	**16,879.39**
Movements	—	—
Balance as at 31st March, 2023	**1,68,79,38,532.00**	**16,879.39**

Terms and covenants attached to equity shares:

The Parent Company has one class of equity shares having par value of Rs 10 per share. Each shareholder is eligible for one vote per share held.

The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders at the annual general meeting.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Parent, after distribution of all preferential amounts (if any), in proportion to their shareholding

19.2 Details of shares held by each shareholder holding more than 5%

Particulars	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	% holding of equity shares	Number of Shares	% holding of equity shares
Fully paid equity shares				
Chatterjee Petrochem (Mauritius) Company (CPMC)	**43,28,57,148**	**25.64%**	43,28,57,148	25.64%
MCPI Private Limited (MCPI)*	**29,90,40,937**	**17.72%**	29,90,40,937	17.72%
Essex Development Investment (Mauritius) Limited (EDIML)	**26,00,00,000**	**15.40%**	26,00,00,000	15.40%
West Bengal Industrial Development Corporation Limited (WBIDC)	**15,50,99,994**	**9.19%**	15,50,99,994	9.19%
Indian Oil Corporation Limited (IOCL)	**15,00,00,000**	**8.89%**	15,00,00,000	8.89%
Winstar India Investment Company Limited (WIICL)	**12,74,00,000**	**7.55%**	12,74,00,000	7.55%
India Trade (Mauritius) Limited (ITML)	**10,71,42,852**	**6.35%**	10,71,42,852	6.35%

19.3 Shares held by Promoters asat 31st March 2023

Particulars	As at 31st March 2023		As at 31st March 2022		% Change during the year
	Number of Shares	% total Shares	Number of Shares	% total Shares	
Equity shares					
1 Chatterjee Petrochem (Mauritius) Company (CPMC)	**43,28,57,148**	**25.64%**	43,28,57,148	25.64%	—
2 MCPI Private Limited (MCPI)*	**29,90,40,937**	**17.72%**	29,90,40,937	17.72%	—
3 Essex Development Investment (Mauritius) Limited (EDIML)	**26,00,00,000**	**15.40%**	26,00,00,000	15.40%	—
4 West Bengal Industrial Development Corporation Limited (WBIDC)	**15,50,99,994**	**9.19%**	15,50,99,994	9.19%	—
5 Winstar India Investment Company Limited (WIICL)	**12,74,00,000**	**7.55%**	12,74,00,000	7.55%	—
6 India Trade (Mauritius) Limited (ITML)	**10,71,42,852**	**6.35%**	10,71,42,852	6.35%	—
7 Ashis Chakraborty**	**1**	—	1	—	—
8 Debasis Konar**	**1**	—	1	—	—
9 Debjit Sur Roychowdhury**	**1**	—	1	—	—
10 Saubhagya Parida**	**1**	—	1	—	—

Notes forming part of Consolidated Financial Statements

Rs. in million

* As a part of business restructuring, MCPI Private Limited has transferred its Logistics and strategic investments business to Aculead (India) Pvt Ltd effective 1st January 2022. Consequently,

the investment held by MCPI Private Limted in the equity shares of Haldia Petrochemicals Limited has been transferred to Aculead (India) Pvt Ltd. effective that date. The Company process of recording the transfer of shares in the register of members.

** Nomineee Director of West Bengal Industrial Development Corporation Limited

19.4 In terms of an agreement with one of the promoters, the Parent Company will issue such number of warrants which upon exercise would entitle the said promoter to subscribe to equity shares of Rs 10 each at par aggregating to Rs 1,000 million. Such conversion option can be exercised within one year after the payment to be made by the promoter to the for second tranche of 259.90 million equity shares as per the Share Purchase Agreement executed between the parties. Issue of such shares has not happened till the year end.

20 The Equity Shares of the Parent as stated above, were alloted to the eligible shareholders of amalgamating Company, Haldia Petrochemicals Limited, on 28th February 2017 (Record as per the order of the Hon'ble High Court of Calcutta, such shares stand allotted on the appointed date as on 1st March 2015.

Particulars	As at 31st March 2023	As at 31st March 2022
21. Other Equity		
Capital Redemption Reserve	**2,710.82**	2,710.82
Securities Premium	**1,19,641.08**	1,19,641.08
Other Comprehensive Income:		
(a) Foreign Currency Translation Reserve	**994.76**	471.73
(b) Revaluation Surplus	**25,347.65**	27,499.83
Deemed Capital Contribution	**57.07**	57.07
Retained earnings	**(10,296.39)**	(6,061.85)
	1,38,454.99	1,44,318.68

Particulars	As at 31st March 2023	As at 31st March 2022
21.1 Capital Redemption Reserve *		
Balance at the beginning of the Year	**2,710.82**	—
Transfer from Retained Earnings	—	2,710.82
	2,710.82	2,710.82
21.2 Securities Premium *		
Balance at the beginning of the year	**1,19,641.08**	1,19,641.08
Balance at the end of the year	**1,19,641.08**	1,19,641.08
21.3(a) Foreign Currency Translation Reserve *		
Balance at the beginning of the year	**471.73**	1,266.40
Transfer to Retained Earnings #	**(308.07)**	—
Increase/(Decrease) during the year	**831.10**	(794.67)
Balance at the end of the year	**994.76**	471.73
21.3(b) Revaluation Surplus *		
Balance at the beginning of the year	**27,499.83**	29,579.87
Increase/(Decrease) during the year	—	(0.01)
Transfer to Retained Earnings	**(2,152.18)**	(2,080.03)
Balance at the end of the year	**25,347.65**	27,499.83
21.4 Deemed Capital Contribution *		
Balance at the beginning of the year	**57.07**	57.07
Balance at the end of the year	**57.07**	57.07
21.4 Retained Earnings *		
Balance at the beginning of the year	**(6,061.85)**	(7,576.96)
(Loss) / Profit for the year	**(6,694.79)**	2,145.90
Transfer from Revaluation Surplus	**2,152.18**	2,080.03
Transfer from Foreign Currency Transfer Reserve #	**308.07**	—
Transfer to Capital Redemption Reserve	—	(2,710.82)
Balance at the end of the year	**(10,296.39)**	(6,061.85)

* Also refer to the Statement of Changes in Equity for brief description thereof.

Represents realised foreign exchange gains upto 31-03-2022 now transferred to retained earnings on conversion of investment in Preference Shares (carried at FVTPL) to Equity Shares in a wholly owned subsidiary

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Notes forming part of Consolidated Financial Statements

Rs. in million

Particulars	Non-Current maturities		Current maturities	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
22 Non-Current Borrowings				
Measured at Amortised Cost				
Secured:				
Redeemable Non Convertible Debentures**	**4,955.77**	—	—	—
Rupee Term Loans (RTL) :				
Banks *	**22,839.28**	23,645.77	**3,690.54**	3,572.23
Foreign Currency Term Loans (FCTL) :				
Banks #	**29,295.84**	30,123.98	**3,380.87**	—
Financial Institutions * #	**4,628.12**	5,161.29	**971.49**	545.94
Unsecured:				
Banks	**1,371.90**	2,874.36	**1,781.37**	1,642.50
Right of Recompense:				
Banks	—	120.66	—	25.20
Total:	**63,090.91**	61,926.06	**9,824.27**	5,785.87

22.1 Nature of security:

* By way of paripassu first charge on Property, Plant and Equipment and Leasehold rights on Land (disclosed under Right-of-use Asset) of the Group (both present and future).

* By way of paripassu second charge on current assets of the Parent (both present and future) subservient to working capital loan.

** By way of pari passu first charge on the Group's moveable (excluding current assets) and immoveable properties, present and future.

SBI London Loan and Indian Bank Gift City loan extended to one of the subsidiary company, included in FCTL Banks backed by Standby Letter Of Credit issued by SBI CCG Branch, Kolkata, and Union Bank of India, Kolkata, whereas FCTL from Indian Bank Gift City is backed by SBLC from Indian Bank, Kolkata. All SBLC's inturn are secured by way of pari passu first charge on Fixed and Current Assets of Parent Company.

Exim Bank loan extended to one of the subsidiary company, included in FCTL from Financial Institutions is backed by Standby Letter of Credit issued by Exim Bank, Kolkata which inturn is secured by way of pari passu first charge on Fixed and Current Assets of Parent Company.

22.2 Interest Rate

Nature of Borrowings	Rate of Interest
Secured:	
Redeemable Non Convertible Debentures	Fixed Rate of Interest ranging from 8.75% to 8.95%
Rupee Term Loan (RTL)	Linked to Marginal Cost Lending Rate of respective banks (Effective average rate 7.55 % p.a.)
Foreign Currency Term Loan (FCTL)-Banks	SOFR linked floating rate (Effective average rate 6.41 % p.a.)
-Financial Institutions	SOFR linked floating rate (Effective average rate 6.19% p.a.)
Unsecured:	
Foreign Currency Term Loan (FCTL)	Spread of 1.35% per annum plus overnight SOFR (Effective average rate ranging between 1.82% p.a. and 5.90% p.a)

Notes forming part of Consolidated Financial Statements

Rs. in million

22.3 Details of Long term Borrowings of the Group:

Description of the instrument	Currency of Loan	Non-Current Maturities Amortised Cost as at 31st March 2023	Non-Current Maturities Amortised cost as at 31st March 2022	Current Maturities Amortised Cost as at 31st March 2023	Current Maturities Amortised cost as at 31st March 2022
Secured					
Redeemable Non Convertible Debentures:					
HPL NCD 2027 Series 2	INR	**2,478.06**	—	—	—
HPL NCD 2029 Series 1	INR	**2,477.71**	—	—	—
		4,955.77	—	—	—

The Parent Company has issued on 29th June 2022, Secured, Redeemable Non-Convertible Debentures (NCDs) of Rs 5000 million in two series- Series 1 and Series 2 of Rs 2500 million each having average maturity of above 5 years on private placement basis. Such funds were raised for part financing of capex activities and augmenting resources for future growth projects. The NCDs were subsequently listed on BSE on 5th July, 2022.

Description of the instrument		Currency of Loan	Non-Current Maturities Amortised Cost as at 31st March 2023	Non-Current Maturities Amortised cost as at 31st March 2022	Current Maturities Amortised Cost as at 31st March 2023	Current Maturities Amortised cost as at 31st March 2022
Secured						
Rupee Term Loans from Banks:						
State Bank of India (SBI)	*	INR	**5,878.63**	3,318.40	**1,463.46**	965.27
Industrial Development Bank of India	#	INR	—	4,141.59	—	571.53
Union Bank of India	*	INR	**4,498.94**	2,989.55	**769.57**	454.28
Punjab National Bank	#	INR	**3,485.06**	4,064.69	**570.22**	570.22
Federal Bank		INR	**318.31**	556.61	**240.00**	240.00
ICICI Bank Limited	**	INR	**2,985.00**	—	—	—
State Bank of India (SBI)	^	USD	**5,673.34**	8,574.93	**647.29**	770.93
			22,839.28	23,645.77	**3,690.54**	3,572.23
Foreign Currency Term Loans from Financial Institutions:						
Exim Bank	##	USD	**4,628.12**	5,161.29	**971.49**	545.94
			4,628.12	5,161.29	**971.49**	545.94
Foreign Currency Term Loans from Banks:						
State Bank Of India, London	@	USD	**16,575.30**	17,036.84	**1,908.09**	—
Indian Bank	@	USD	**12,720.54**	13,087.14	**1,472.78**	—
			29,295.84	30,123.98	**3,380.87**	—
Unsecured:						
Foreign Currency Term Loans from Banks:						
DBS Bank Limited	^^	USD	**1,371.90**	2,874.36	**1,781.37**	1,642.50
			1,371.90	2,874.36	**1,781.37**	1,642.50

* Payable in structured quarterly installments as per refinanced Rupee Loan Agreement commencing from June 2022.

\# Amount outstanding as at the end of previous year repaid during 2022-2023.

^ SBI has allowed conversion of part of Rupee Loan into FCNR Loan, from the existing limit of Rupee Term Loan to be rolled over on a yearly basis. Following the repayment schedule of Rupee Loan Agreement, the residual amount if any will be reinstated to Rupee Term Loan.

\## The Parent Company has been sanctioned USD equivalent of Rs 715.34 Millions as Foreign Currency Loan in June 2017 from Exim Bank as a carve out from the existing Rupee Term Loan. Repayment will continue as per the agreed repayment percentage mentioned in the RLFA agreement. Exim Bank also sanctioned a Term Loan of USD equivalent to Rs 1,280 million repayable in 24 equal quarterly instalments starting from May 2019. During FY 2019-2020 a new loan of USD equivalent of Rs 2,400 million (since reduced to Rs 1,200 million) towards reimbursement of capital expenditure for Coal Fired Boiler project was sanctioned repayable in 20 equal quarterly instalments starting from April 2022.

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Rs. in million

The Company has availed a New Term Loan Facility Agreement from State Bank of India and Union Bank of India which interalia has been utilised for funding a part of capex activities of the company and takeover/replenishment of the existing facilties, to be repaid in structured instalments upto 31st March, 2029.

** The Parent Company has availed Rupee Term Loan of Rs 3,000 million from ICICI Bank to fund future capex requirements and other operational purposes repayable in 16 equal instalments starting from the end of 39 months from the first drawdown date.

@ HPL Technologies BV, Netherlands (HTS), the WoS of the Company, has been sanctioned a Term Loan Facility of USD 519.20 million (equivalent INR 37,658.66 million) by State Bank of India, London Branch, being the lender and lenders' agent. USD 512.33 million was disbursed in June 2020 towards part funding of contribution of HTS in the joint venture namely Illuminate Aggregator LP, USA formed for aquisition of Lummus Technology USA. The loan is backed by the Standby Letter of Credit (SBLC) issued by SBI, CCG Branch, Kolkata. The loan is repayable in structured half-yealy installments from June 2021 until November 2029.

The borrowing was utilised by HTS for acquisition of Lummus Technology business (which provides proprietary process technology licenses, associated engineering services, catalysts and engineered products and uses the Lummus brand name) from McDermott International (MDR) through a Joint Venture arrangement with Rhone Capital, USA (joint-venturer). [Refer Note: 10 - Illuminate Aggregator LP]. As per the related loan agreement HTS cannot dilute its stake in the Joint Venture arrangement without the permission of the Lender.

As a part of down selling and refinancing of SBLC/FCTL of SBI London, Indian Bank, Exim Bank and Union Bank of India had agreed to issue SBLC up to US$ 195 million, US$ 50 million and US$ 58.50 million respectively with corresponding FCTL availment, through which HTS has prepaid the existing FCTL extended by SBI London Branch. In case of Union Bank of India, while the SBLC has been issued by the Bank, the loan portfolio remains with State Bank of India, London Branch.

^^ The bank loan is unsecured and bears interest, calculated on daily basis, at base rate of 1.35 per cent per annum plus SOFR for that day, the applicable rate in current period being in the range of 1.82% to 5.90% per annum. The loan is repayable over a period of 3 years. The bank loan is for the purpose of providing an export advance to its supplier, the ultimate holding company, towards the purchase of the product from its supplier.

Description of the instrument	Currency of Loan	Non-Current Maturities		Current Maturities	
		Amortised Cost as at 31st 2023	Amortised cost as at 31st 2022	Amortised Cost as at 31st 2023	Amortised cost as at 31st 2022
Unsecured:					
Right of Recompense from Banks @					
Industrial Development Bank of India	INR	—	120.66	—	25.20
Total Right of Recompense		—	120.66	—	25.20
Total		**63,090.91**	61,926.06	**9,824.27**	5,785.87

@ During the financial year 2015-2016, as per the arrangement with banks and financial institutions, the Parent Company, inter alia, agreed to pay a sum of Rs 2,400.00 million on account of recompense to lenders. Against this, an upfront payment of Rs 270 million was made during the financial year 2015-16 and the balance amount of Rs 2,130 million is payable over a period of 10 years commencing from June 2020 in equal annual instalments disclosed as a deferred payment arrangement. The Parent Company had approached the lenders for settlement of the recompense amount at its Net Present Value discounted at the rate equivalent to the applicable coupon rate to the company. The amount outstanding as at the end of previous year amounting to Rs 145.86 million has beenrepaid during the financial year. An amount of Rs 1,210.97 million has been paid to 23 lenders upto 31st March, 2023 (31st March 2022: Rs 1,061.57 million).

22.4 Instrument wise interest exposure of borrowings at the end of reporting period are as below:

Description of the instrument	Currency of Loan	As at 31st March 2023		As at 31st March 2023	
		Fixed Rate	Floating Rate	Fixed Rate	Floating Rate
Redeemable Non Convertible Debentures	INR	**4,955.77**	—	—	—
RTL					
Banks	INR	—	**26,529.89**	—	27,218.00
FCTL					
Financial Institutions	USD	—	**5,600.45**	—	5,707.23
Banks	USD	—	**35,829.99**	—	34,640.84

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Rs. in million

Particulars	As at 31st March 2023	As at 31st March 2022
23 Lease Liabilities - Non-Current		
Lease Liabilities - Land	**75.49**	57.40
Lease Liabilities - Building	**265.78**	10.73
Total	**341.27**	68.13

Particulars	As at 31st March 2023	As at 31st March 2022
24 Other Non-Current Financial Liabilities		
Security Deposit received	**86.57**	15.27
Total	**86.57**	15.27

Particulars	Non-Current		Current	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
25 Provisions				
Employees Benefits				
Provision for Compensated absence	**202.85**	197.55	**37.14**	36.76
Provision for Gratuity	**1.83**	35.53	**0.07**	0.05
Total:	**204.68**	233.08	**37.21**	36.81

Particulars	As at 31st March 2023	As at 31st March 2022
26 Current borrowings		
Secured		
Working Capital Loans repayable on demand:		
From banks:		
Cash Credit	**0.12**	—
Export Packing Credit	**—**	1,000.00
Working Capital Demand Loan	**1,440.00**	1,000.00
Buyers' Credit Facility	**5,446.30**	—
Suppliers' Credit Facility	**—**	3,590.27
Current maturities of Long Term Borrowings (Refer Note 22)	**9,824.27**	5,785.87
Total	**16,710.69**	11,376.14

Nature of Security:

26.1

(i) A pari-passu first charge created on current assets of the Company (both present and future)

(ii) A pari-passu second charge by way of mortgage in favour of the Lenders on all of Company's immovable properties, both present and future; which shall be subservient to the Term Loan Lenders

(iii) A pari-passu second charge by way of hypothecation on Property, Plant and Equipment of the Company (both present and future); which shall be subservient to the Term Loan Lenders.

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Particulars	As at 31st March 2023	As at 31st March 2022
27 Lease Liabilities - Current		
Lease Liabilities - Land	**9.04**	0.06
Lease Liabilities - Building	**77.10**	38.53
Total	**86.14**	38.59

Particulars	As at 31st March 2023	As at 31st March 2022
28 Trade Payables-Current		
Dues of Micro Enterprise and Small Enterprise	**88.44**	69.10
Dues of creditors other than micro enterprises and small enterprises	**9,125.54**	12,386.59
Total	**9,213.98**	12,455.69

28.1 The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Parent. The disclosures relating to Micro and Small Enterprises are as below:

Particulars	As at 31st March 2023	As at 31st March 2022
The details of amounts outstanding to Micro, Small and Medium Enterprises (MSME) based on available information with the Parent is as under:		
(i) Principal amount remaining unpaid to MSME suppliers as at the end of the year	**68.38**	50.16
(ii) Interest due on unpaid principal amount to MSME suppliers as at the end of the year	**20.06**	18.94
	88.44	69.10
(iii) The amount of interest due and payable for the year	**1.12**	3.66
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year	—	—
(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	**18.94**	15.28
	20.06	18.94

28.2 In respect of trade payables due for payment, the following is the ageing schedule as at 31st March 2023:

Intangibles Under Development	Unbilled due	Outstanding for following periods from due date of posting: Not Due 1 year	Less than	1-2 years	2-3 years	More than 3 years	Total
(I) MSME	—	—	69.50	3.66	1.50	13.77	**88.44**
(ii) Others	3,579.18	1,318.17	3,538.20	460.72	87.55	141.71	**9,125.54**
Total:	**3,579.18**	**1,318.17**	**3,607.70**	**464.38**	**89.06**	**155.49**	**9,213.98**

28.3 In respect of trade payables due for payment, the following is the ageing schedule as at 31st March 2022:

Intangibles Under Development	Unbilled due	Outstanding for following periods from due date of posting: Not Due 1 year	Less than	1-2 years	2-3 years	More than 3 years	Total
(I) MSME	—	—	53.83	1.11	0.39	13.77	**69.10**
(ii) Others	945.97	2,463.58	8,603.07	170.51	84.95	118.51	**12,386.59**
	945.97	2,463.58	8,656.90	171.62	85.34	132.28	12,455.69

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Particulars	As at 31st March 2023	As at 31st March 2022
29 Other Financial Liabilities - Current		
Interest accrued but not due	**604.26**	198.89
Forward Contract entered for securing trade payables net of receivables	—	2.03
Derivatives not designated as hedging instruments	**75.97**	—
Dues to related parties (Refer Note 29.2)	**828.60**	385.44
Security Deposit taken	**613.00**	656.34
Other Liabilities (Refer Note 29.1)	**1,575.60**	1,418.67
Total	**3,697.43**	2,661.37

Particulars	As at 31st March 2023	As at 31st March 2022
29.1 Other Liabilities comprises:		
Payables on purchase of Property, Plant and Equipment - Non MSME	**279.18**	764.26
Payables on purchase of Property, Plant and Equipment - MSME	**57.64**	19.64
Earnest and Retention money, Liquidated Damages deducted	**91.74**	206.69
Payables on Project related services	**1.08**	—
Discount accrued to customers	**1,145.96**	428.08
	1,575.60	1,418.67

Particulars	As at 31st March 2023	As at 31st March 2022
29.2 Dues to related parties include:		
Companies having Substantial Interest in the Company		
West Bengal Industrial Development Corporation Limited (WBIDC)	**6.42**	6.41
Companies in which one of the promoters have substantial interest		
Chatterjee Management Company	**822.18**	379.03
	828.60	385.44

Particulars	As at 31st March 2023	As at 31st March 2022
30 Other Current Liabilities		
Statutory Remittances	**263.56**	186.64
Deferred Government Grants relating to Export Promotion Capital Goods and Advance		
License	**173.97**	529.92
Advance from Customers	**167.26**	65.17
Total	**604.79**	781.73

Consolidated Statement of Profit and Loss

Rs. in million

Particulars	As at 31st March, 2023	As at 31st March, 2022
31. Revenue from Operations		
Sale of products		
Finished goods	**1,39,359.29**	1,12,251.25
Traded goods	**13,119.50**	9,649.71
	1,52,478.79	1,21,900.96
Sale of services		
Rental Income	**1.10**	**0.70**
Agency Commission	**189.47**	183.97
	190.57	184.67
Other Operating Income		
Government Grants		
Accrued Duty Benefits pertaining to Exports	**436.80**	642.13
Accrued Benefits under Government incentive schemes (Refer Note: 31.2)	**3,731.94**	2,794.97
Freight Reimbursements	**1,739.58**	1,669.65
Sale of scrap*	**203.12**	44.40
	6,111.44	5,151.15
Revenue from Operations	**1,58,780.80**	1,27,236.78

* Sale of scrap of Current Year includes Rs 148 million being the amount realised on disposal of certain obsolete spares and dismantled assets. Corresponding cost of such items was Rs 536.85 million which was fully provided for in earlier years and has been written off against such provision in current year.

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
31.1 Details of product sold		
(I) Finished goods sold:		
Polymers:		
High Density Polyethylene (HDPE)	**57,469.83**	48,268.93
Linear Low Density Polyethylene (LLDPE)	**13,279.81**	8,024.26
Polypropylene (PP)	**33,339.98**	30,974.68
Chemicals: (By products)		
Benzene	**9,833.50**	8,290.49
Butadiene	**5,144.78**	4,050.72
Hydrogenated Pyrolysis Gasoline (HPG)	**6,654.72**	6,758.34
Motor Spirit	**2,682.51**	—
Methyl Tertiary-Butyl Ether (MTBE)	**5,875.40**	3,728.60
Butene	**986.76**	663.14
Pentanes	**87.28**	—
Others	**4,004.72**	1,492.09
	1,39,359.29	1,12,251.25
(ii) Traded goods sold		
Benzene	**5,354.01**	736.58
Coal	**253.20**	—
Naphtha	**1,440.97**	725.65
PX	**5,069.40**	7,512.65
Methanol	**98.41**	120.45
Others	**896.25**	—
Polyolefin	**7.26**	554.38
	13,119.50	9,649.71

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Consolidated Statement of Profit and Loss

Rs. in million

31.2 The Parent Company had availed benefits under the West Bengal Incentive Scheme 1999 for a period of 12 years which ended on 19th May 2012, with a portion of the incentive (based on overall value limit) remaining unutilised as on that date amounting to Rs 43,806 million. Later, in accordance with a decision taken in the 32nd meeting of the Standing Committee on Industry, Infrastructure and Employment, Government of West Bengal held on 29th May 2014 followed by the tripartite Share Purchase Agreement (SPA) between the Government of West Bengal (GoWB), the promoters of the Company and the Company dated 11th September, 2014, 75% of the above unutilized incentives were restored to the Company with effect from 1st January 2016 for a period of 19 years with a stipulation that in the event of introduction of Goods and Service Tax (GST), the incentives would be payable to the extent the tax accrues to the State Government.

Post implementation of GST w.e.f. 1st July, 2017, the Parent Company is yet to receive any incentive remission under the aforesaid scheme / agreement. Since there was no response from the GoWB one of the promoter companies had invoked the arbitration clause as per the terms of the said SPA during the year 2019-2020. As of date of this financial information, hearings before the arbitration tribunal and submissions by the parties is over and the award is awaited.

In view of the fulfilment of the conditions of SPA, based on a legal opinion taken and after re-assessment of the reasonability of ultimate recovery of such benefits based on developments till date and in conformity with accrual basis of accounting, the Parent Company continues to recognize income under the said incentive scheme, post implementation of GST (ie 1st July, 2017) based on SGST collected and deposited. Accordingly, an amount of Rs 3,731.94 million has been recognised as income during the year ended March 31, 2023 based of SGST collected and deposited. The accumulated recoverable balance of Rs 14,579.34 million (since July 01, 2017 till March 31, 2023) is being shown under Other Non-Current Assets in the Balance Sheet.

	Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
32	**Other Income**		
	Interest income earned on Financial Assets that are not designated at fair value through Profit or Loss:		
	On Bank Deposits at amortised cost	**201.67**	53.12
	On Other Financial Instruments at amortised cost	**1,024.94**	815.51
	On Income tax refunds	**99.29**	0.47
	Others	**4.02**	6.10
	Dividend Income	**0.19**	1.04
	Liabilities / provisions no longer required, written back	**526.97**	155.29
	Insurance and Other Claims	**98.05**	79.59
	Profit on sale of current investments	**645.41**	357.42
	Gain/(Loss) on Fair Valuation of investments through Profit and Loss	**253.29**	615.28
	Miscellaneous Receipts	**41.24**	40.05
	Net gain / (loss) on foreign currency transactions and translation	**(1,212.21)**	5.47
	Net gain/(loss) arising on financial assets designated at FVTPL	**(192.48)**	407.44
	Net gain/ (loss) arising on financial liabilities designated at FVTPL	**(35.06)**	(30.49)
	Total	**1,455.32**	2,506.29

Consolidated Statement of Profit and Loss

Rs. in million

33 The Government of West Bengal had enacted the West Bengal Tax on Entry of Goods into Local Areas Act 2012 ('Entry Tax'). After its enactment, the constitutional validity of the same was challenged before the Hon'ble Calcutta High Court by various assesses. Vide order dated 24 June 2013, a single judge bench of the Calcutta High Court held the entry Tax to be ultra vires of Article 304(b) of the Constitution of India. Being aggrieved, the State of West Bengal has filed an appeal before the Division Bench of the Calcutta High Court and the said appeal is still pending.

The Parent Company filed a separate writ petition in 2014 challenging the constitutionality of the Entry Tax; but since this was already decided by the Calcutta High Court and the matter is pending before the Division Bench, the Company ' s petition was adjourned sine die with an interim order that no coercive steps could be taken by the State to recover Entry Tax levied on the Company. The Company, thereafter, filed an application for addition as a party in the appeal pending before the Division Bench. The said application is also pending. The prayer of the Company for intervention was allowed by the Division Bench with a liberty to file an affidavit vide Order dated 9th January 2018.

In the meanwhile, a nine Judge bench of the Supreme Court of India vide its order dated 30 November 2016 decided that the levy of Entry Tax in a state has to be tested on the anvil of Article 304(a) of the Constitution of India to determine whether the statute in the state is ' discriminatory or non-discriminatory ' . The Supreme Court did not, however, consider the validity of the State acts but referred those to be decided by the regular benches of the states, by applying the ratio as laid down by the Supreme Court.

After the pronouncement of the Supreme Court judgment in 2016, the State Government amended the Entry Tax Act, 2012 retrospectively to try and satisfy the test of discrimination. Subsequently, the Finance Act 2017 took away the powers of the High Court in a writ proceeding to adjudicate on matters relating to Entry Tax Act and conferred it to the West Bengal Taxation Tribunal (WBTT). On 25 March 2022, WBTT quashed the retrospective amendments made by the West Bengal Government and also declared that the order of the single judge bench of the Calcutta Court declaring Entry Tax Act 2012 to be ultra vires of the Constitution, is still valid.

The Parent Company initially, had provided such Entry Tax along with interest as applicable under the relevant act; but reviewed the status of the case periodically. Based on such reviews, the recent WBTT judgement and legal opinions obtained in support of its reassessment, the Company was of the view that there is a merit in the case in favour of the Company and the Company did not foresee possibility of any liability arising on the Company or any cash outgo in this case. Accordingly, the Company had decided to write back the provision for earlier years amounting to Rs 5,833.25 million [consisting of principal amount of Rs 2,450.38 million (for the financial years 2012-13 to 2017-18) and interest of Rs 3,382.87 million (for the financial years 2012-13 to 2020-21) during the previous year.

Considering the significance of the amount involved, this reversal of provision for earlier years of Rs 5,833.25 million (Rs 3,794.85 million post tax) has been shown as an Exceptional Item in the Statement of Profit and Loss for the financial year ended March 31, 2022.

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
34 Cost of materials consumed		
Cost of raw materials consumed	**1,11,817.94**	86,749.68
Total	**1,11,817.94**	86,749.68

Notes forming part of Consolidated Financial Statements

Rs. in million

	Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
34.1	**Details of materials consumed**		
	Naphtha	**1,09,100.41**	85,589.53
	Other Feed Stock: LPG	**1,852.93**	1,068.15
	Methanol	**864.60**	92.00
		1,11,817.94	86,749.68

	Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
35	**Purchases of Stock-in-Trade**		
	Polyolefin	—	589.06
	Methanol	**84.11**	104.36
	Benzene	**5,696.88**	740.41
	Hydrogenated Pyrolysis Gasoline (HPG)	**11.60**	—
	Motor Spirit	**49.83**	—
	Methyl Tertiary-Butyl Ether (MTBE)	**96.95**	—
	Paraxylene	**4,965.09**	7,450.63
	Naphtha	**1,321.91**	762.67
	Others	**892.88**	—
	Total	**13,119.25**	9,647.13

	Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
36	**Changes in Inventories of Finished goods, By-Products and Work-in-progress**		
	Inventories at the end of the year		
	Work-in-progress	**364.49**	431.02
	Finished Goods and By Products	**3,638.69**	5,713.18
		4,003.18	6,144.20
	Inventories at the beginning of the year		
	Work-in-progress	**431.02**	98.42
	Finished Goods and By Products	**5,713.18**	2,686.26
		6,144.20	2,784.68
	Net (Increase) / Decrease	**2,141.02**	(3,359.52)

	Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
37	**Employee Benefits Expense**		
	Salaries, Wages and Bonus	**1,634.58**	1,639.52
	Contribution to Provident and Other Funds	**158.53**	156.04
	Staff Welfare Expenses	**84.14**	98.12
	Total	**1,877.25**	1,893.68

Notes forming part of Consolidated Financial Statements

Rs. in million

37.1 (a) Defined Benefit Plans/Long Term Compensated Absences : -

Description of Plans

Defined contribution plans

Expenses under defined contribution plans are recognised as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group ' s obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Defined benefit plans

For defined retirement benefit schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

Compensated absences

Expenses for compensated absences are recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

The defined benefit plans expose the Group to a number of actuarial risks as below:

Risk

The Defined Benefit Plans expose the Group to risk of actuarial deficit arising out of investment risk, interest rate risk and salary cost inflation risk.

(a) Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/high quality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

(b) 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.

(c) 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.

(d) 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.

		For the year ended 31 March, 2023				For the year ended 31 March, 2022			
		Management Staff Gratuity	**Non-Management Staff Gratuity**	**Compensated Absence**	**Sick Leave**	Management Staff Gratuity	Non-Management Staff Gratuity	Compensated Absence	Sick Leave
I	**Recognised in Statement of Profit or Loss**								
1	Current Service Cost	**30.73**	**5.94**	**14.05**	**4.59**	26.42	5.85	12.99	4.17
2	Net Interest Cost	**0.05**	**(0.06)**	**11.60**	**2.71**	(0.41)	(0.03)	10.00	2.25
3	Effect of changes in financial assumptions	**—**	**—**	**(6.41)**	**(0.94)**	(0.01)	—	(3.84)	(0.59)
4	Effect of experience adjustments	**—**	**—**	**22.63**	**(7.81)**	—	—	30.72	(0.38)
5	Total expense recognised in the Statement of Profit and Loss	**30.78**	**5.88**	**41.87**	**(1.45)**	26.00	5.83	49.87	5.45
	Re-measurements recognised in Other Comprehensive Income								
6	Return on plan assets (excluding amounts included in Net interest cost)	**(1.33)**	**(0.35)**	**—**	**—**	(2.25)	(0.45)	—	—
7	Effect of changes in financial assumptions	**(13.10)**	**(3.33)**	**—**	**—**	(7.81)	(1.93)	—	—
8	Effect of experience adjustments	**7.21**	**1.38**	**—**	**—**	44.68	0.15	—	—
9	Total re-measurements included in Other Comprehensive Income	**(7.22)**	**(2.30)**	**—**	**—**	34.62	(2.23)	—	—
10	Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income	**23.56**	**3.58**	**41.87**	**(1.45)**	60.62	3.59	49.87	5.45

The current service cost and net interest cost for the year pertaining to Pension and Gratuity expenses have been recognised in "Contribution to Provident and other funds" and Leave Encashment in "Salaries, Wages and Bonus" under Note 37. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.

Notes forming part of Consolidated Financial Statements

Rs. in million

	For the year ended 31 March, 2023				For the year ended 31 March, 2022			
	Management Staff Gratuity	**Non-Management Staff Gratuity**	**Compensated Absence**	**Sick Leave**	Management Staff Gratuity	Non-Management Staff Gratuity	Compensated Absence	Sick Leave
II **Actual Returns**								
III Net Asset/(Liability) recognised in Balance Sheet								
1 Present Value of Defined Benefit Obligation	**420.70**	**(96.70)**	**(200.32)**	**(39.67)**	(404.33)	(89.06)	(193.19)	(41.12)
2 Fair Value of Plan Assets	**430.82**	**95.27**	**—**	**—**	369.01	88.80	—	—
3 Status [Surplus/(Deficit)]	**10.12**	**(1.43)**	**(200.32)**	**(39.67)**	(35.32)	(0.26)	(193.19)	(41.12)
Current / Non-current liability breakup in Balance Sheet								
Current	**(0.06)**	**—**	**(29.60)**	**(7.55)**	(0.05)	—	(29.30)	(7.46)
Non-Current	**10.18**	**(1.43)**	**(170.70)**	**(32.12)**	(35.27)	(0.26)	(163.89)	(33.66)
IV **Change in Defined Benefit Obligation (DBO)**								
1 Present Value of DBO at the beginning of the year	**404.35**	**89.06**	**193.20**	**41.14**	345.63	83.17	174.01	35.68
2 Current Service Cost	**30.73**	**5.94**	**14.05**	**4.59**	26.41	5.85	12.99	4.17
3 Interest Cost	**25.56**	**5.80**	**11.60**	**2.71**	20.97	5.14	10.00	2.25
4 Remeasurement gains/ (losses):								
a. Effect of changes in financial assumptions	**(13.08)**	**(3.33)**	**(6.40)**	**(0.92)**	(7.81)	(1.93)	(3.83)	(0.59)
b. Changes in asset ceiling (excluding interest income)	—	—	—	—	—	—	—	—
c. Effect of experience adjustments	**7.19**	**1.38**	**22.63**	**(7.83)**	44.68	0.15	30.72	(0.38)
5 Benefits Paid	**(34.02)**	**(2.15)**	**(34.74)**	**—**	(25.55)	(3.32)	(30.67)	—
6 Present Value of DBO at the end of the year	**420.72**	**96.70**	**200.35**	**39.70**	404.35	89.06	193.20	41.14
V **Best Estimate of Employers' Expected Outgo**								
Current	**(0.07)**	**—**	**(29.61)**	**(7.53)**	(0.05)	—	(29.30)	(7.46)
Non-Current	**10.17**	**(1.43)**	**(170.71)**	**(32.14)**	(35.27)	(0.26)	(163.89)	(33.66)
VI **Change in Fair Value of Assets**								
1 Plan Assets at the beginning of the year	**369.01**	**88.80**	**—**	**—**	333.33	80.73	—	—
2 Interest Income	**25.51**	**5.87**	**—**	**—**	21.38	5.16	—	—
3 Remeasurement Gains/ (Losses) on plan assets	**1.33**	**0.35**	**—**	**—**	2.25	0.45	—	—
4 Actual Company Contributions	**34.97**	**0.27**	**—**	**—**	12.05	2.46	—	—
5 Benefits Paid	**—**	**—**	**—**	**—**	—	—	—	—
6 Plan Assets at the end of the year	**430.83**	**95.29**	**—**	**—**	369.01	88.80	—	—
VII **Actuarial Assumptions**								
Discount Rate %	**7.10%**	**7.10%**	**7.10%**	**7.10%**	6.60%	6.60%	6.60%	6.60%
Rate of salary increase %	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
VIII **Major Category of Plan Assets as % of Total Plan Assets**								
1 Schemes of Insurance conventional products	100.00%	100.00%	NA	NA	100.00%	100.00%	NA	NA

* In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

IX Basis used to determine the Expected Rate of Return on Plan Assets.

The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

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Rs. in million

		For the year ended 31 March, 2023				For the year ended 31 March, 2022			
		Management Staff Gratuity	**Non-Management Staff Gratuity**	**Compensated Absence**	**Sick Leave**	Management Staff Gratuity	Non-Management Staff Gratuity	Compensated Absence	Sick Leave
X	**Net Asset / (Liability) recognised in Balance Sheet (including experience adjustment impact)**								
1	Present Value of Defined Benefit Obligation	**(420.70)**	**(96.70)**	**(200.32)**	**(39.67)**	(404.33)	(89.06)	(193.19)	(41.12)
2	Fair Value of Plan Assets	**430.82**	**95.27**	**—**	**—**	369.01	88.80	—	—
3	Status [Surplus/(Deficit)]	**10.12**	**(1.43)**	**(200.32)**	**(39.67)**	(35.32)	(0.26)	(193.19)	(41.12)
4	Experience Adjustment of obligation [(Gain)/Loss]	**7.19**	**1.38**	**22.63**	**(7.83)**	44.68	0.15	30.72	(0.38)

XI Sensitivity Analysis

The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, 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 presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

		For the year ended 31 March, 2023				For the year ended 31 March, 2022			
		Management Staff Gratuity	**Non-Management Staff Gratuity**	**Compensated Absence**	**Sick Leave**	Management Staff Gratuity	Non-Management Staff Gratuity	Compensated Absence	Sick Leave
1	Discount Rate + 100 basis points	**(24.05)**	**(6.11)**	**(11.71)**	**(1.72)**	(24.15)	(5.90)	(11.77)	(1.84)
2	Discount Rate - 100 basis points	**26.99**	**6.87**	**13.24**	**1.89**	27.19	6.66	13.36	2.02
3	Salary Increase Rate + 1%	**26.53**	**6.72**	**13.02**	**1.86**	26.60	6.50	13.06	1.98
4	Salary Increase Rate – 1%	**(24.11)**	**(6.12)**	**(11.74)**	**(1.73)**	(24.10)	(5.89)	(11.74)	(1.84)

Maturity Analysis of The Benefit Payments

		For the year ended 31 March, 2023				For the year ended 31 March, 2022			
		Management Staff Gratuity	**Non-Management Staff Gratuity**	**Compensated Absence**	**Sick Leave**	Management Staff Gratuity	Non-Management Staff Gratuity	Compensated Absence	Sick Leave
1	Year 1	**54.25**	**8.17**	**30.62**	**7.82**	50.79	8.33	8.08	7.72
2	Year 2	**51.66**	**10.69**	**23.64**	**7.45**	42.10	7.92	0.09	7.73
3	Year 3	**52.38**	**10.47**	**25.24**	**7.27**	52.93	9.69	0.09	7.51
4	Year 4	**60.71**	**12.62**	**25.98**	**7.01**	48.86	9.51	0.09	7.31
5	Year 5	**52.23**	**10.85**	**24.39**	**6.76**	60.14	11.49	0.08	6.91
6	Next 5 Years	**302.77**	**74.26**	**117.67**	**28.26**	283.29	66.66	0.33	29.26

(b) Amounts towards Defined Contribution Plans have been recognised under “Contribution to Provident and other funds” in Note 37: Rs 131.39 million (2021-2022 - Rs 91.51 million).

Notes forming part of Consolidated Financial Statements

Rs. in million

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
38 Finance costs		
Interest costs :		
Borrowings	**4,079.61**	2,335.56
Others *	**56.63**	33.09
Lease Liabilities	**25.80**	18.75
Unwinding of discounts on redeemable preference shares	**—**	147.25
Preference Dividend on Redeemable Preference Shares	**—**	24.51
Exchange differences regarded as an adjustment to borrowing costs	**409.82**	404.40
Other borrowing costs:		
Finance Charges	**716.61**	909.98
Right of Recompense	**3.54**	71.93
Total	**5,292.01**	3,945.47

* Include Interest paid / payable to statutory authorities and on security deposit received from customers.

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
39 Depreciation and amortisation expense		
Depreciation of tangible assets	**7,910.46**	8,123.48
Amortisation of intangible assets	**6,679.67**	6,679.54
Depreciation of Right Of Use Assets	**414.94**	450.26
Total	**15,005.07**	15,253.28

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
40 Other expenses		
Consumption of Chemicals, Additives and Catalyst	**3,265.38**	3,465.64
Consumption of Stores and spares and Loose Tools	**507.82**	385.45
Consumption of Packing and other materials	**633.98**	581.50
Utilities comprises of:		
Consumption of naphtha for generation of steam	**555.38**	1,734.98
Consumption of by products for generation of steam	**2,277.13**	1,225.44
Water charges	**297.43**	214.95
Consumption of nitrogen	**194.22**	179.30
Increase / (decrease) of excise duty on inventory	**95.52**	—
Power and Fuel	**6,331.06**	4,403.06
Rent	**72.13**	69.86
Repairs and Maintenance		
Building	**108.06**	145.95
Plant and Machinery	**646.72**	512.64
Others	**214.06**	196.73
Insurance	**398.93**	377.63

Notes forming part of Consolidated Financial Statements

Rs. in million

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Rates and Taxes	**82.29**	82.52
Service Charges	**620.81**	620.59
Brokerage and Commission	**371.01**	307.65
Clearing, Forwarding and Distribution Expenses	**84.85**	182.37
Freight Charges	**2,319.53**	2,332.43
Net Loss on Property, Plant & Equipment scrapped /sold	**227.32**	0.02
Provision for doubtful debts, advances, deposits and inventories	**489.41**	—
Corporate Social Responsibility Expenses (Refer Note: 40.1)	**45.64**	2.83
Miscellaneous Expenses	**1,249.65**	1,096.25
Total	**21,088.33**	18,117.79

40.1 Corporate Social Responsibility (CSR)

(i) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 by the Parent Company during the year is Rs 41.03 million (Previous Year: NIL) and one of its Subsidiaries is Rs 4.61 million (Previous Year: Rs 2.83 Million).

(ii) Amount spent during the year:

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Construction /acquisition of any asset	—	—
On purposes other than above	**45.64**	2.83
Total	**45.64**	2.8

41 Contingent Liabilities and Commitments (to the extent not provided for):

Particulars	As at 31st March 2023	As at 31st March 2022
(I) Contingent Liabilities:		
(a) Guarantees:		
Guarantees given by banks on behalf of the Group	**95.68**	83.68
(b) Claims against the Group not acknowledged as debts [Refer Note (a) below]		
(I) Income Tax matters under dispute	**2.50**	10.79
(ii) Excise Duty and other matters under dispute (including pre-deposit of Rs 204.04 million (Previous Year : 31st March 2022 - Rs 307.84 million)	**6,670.89**	6,076.58
(iii) Service Tax matters under dispute (including pre-deposit of Rs 12.94 million (Previous Year : 31st March 2022 - Rs 12.94 million)	**795.04**	769.17
(iv) Sales Tax / VAT matters under dispute (including pre-deposit of Rs 24.55 million (Previous Year : 31st March 2022 - Rs 25.05 million)	**706.78**	654.98
(v) Entry tax matters under dispute includes interest Rs 4,412.03 million (Previous Year: 31st March 2022 - Rs. 3,823.94 million) (Refer Note 33)	**7,009.43**	6,421.34
(vi) Others	**19.15**	616.93
[above includes:		
(i) Rs NIL (Previous Year: 31st March 2022 - Rs 598.60 million) for claim made by parties against which Company made a separate claim of Rs 4,398.90 million (Previous Year: 31st March 2022 - Rs 4,398.90 million)] [Refer Note (e) below] (ii) Rs.8.65 million (Previous Year: 31st March 2022 - Rs 8.65 million) relating to demand from Land & Land Reforms Department, Government of West Bengal towards Land Revenue on HREL Township Land. [Refer Note (b) below]		
(ii) Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account	**2,210.84**	1,873.42
(b) Capital commitment in respect of acquisition of land and other assets from NOCL (Refer Note 46)	**5,750.00**	5,750.00

Notes forming part of Consolidated Financial Statements

Rs. in million

(a) Excise duty, VAT/ sales taxes, GST and other indirect taxes claims disputed by the Group relate to issues of applicability and classification. Third party claims arising from disputes relate to contracts.

(b) Land Revenue based on rates for residential land is applicable to the Group since beginning as the Land is used as Housing Complex of employees of the Holding company. Memo issued by Land & Land Reforms Department, Government of West Bengal as well as Memo issued by the office of BL & LRO, Sutahata – II on 01.03.2004, mentions that land allotted to the Group has been put as "other than Commercial purpose (homestead)" and the land revenue was fixed at residential rate. However, vide Demand Notice, Memo No. 658 / Suta-II / 2022 Dated 28.03.2022 of The District Land & Land Reforms Officer, land revenue at commercial rates has now been charged to the Company for the years 1425 Bengali Sambat (BS) to 1428 BS and land revenue of Rs. 9.79 million including interest has been demanded. The matter has been taken up with the Local BL& LRO office and DL &LRO office.

If not resolved at the Purba Medinipur District office, it will be taken up at State Land & Land Reforms Department, Government of West Bengal. As the Group has been consistently paying land revenue at the earlier rates, there is a strong case in favour of the Group. Provision has been made in the accounts for land revenue at residential rates for last four years amounting to Rs.1.53 million which is pending for last four years due to pending of resolution of the demand for higher land revenue rate.

(c) Future cash outflows in respect of the above matter are determinable only in receipt of judgements/decisions pending at various forums/ authorities. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial positions and result of operations.

(d) SBI CCG Br Kolkata has extended SBLC in favour of SBI London guaranteeing the debt payment obligations in case of default by HPL Technologies BV, Netherlands, being HPL's wholly owned subsidiary and the borrower. The Guarantee Amount is limited to the extent of outstanding loan balance of the Borrower as on a given date. The SBLC facility is secured by way of a pari-paasu charge over the assets of the company.

(e) Certain claims against the Parent Company by Engineers India Ltd (EIL) under EPCM contracts pertaining to the period 1997-2000 were disputed by the Parent Company. EIL referred the matter to arbitration and the arbitral tribunal awarded its judgement in favour of EIL on 15.12.2014. The Parent Company preferred appeal against the arbitral award which was dismissed by Calcutta High Court. The Parent Company accordingly filed appeal at Supreme Court. The Supreme Court while hearing the appeal decided to return it back to Calcutta High Court for review of its judgement which is still pending. In the meantime, the Parent Company has paid the entire claim amount of Rs 711.41 million to EIL on 04.12.2018. Now, taking into consideration the status of this case, the Parent Company has decided, on a conservative basis, to recognise a charge in the books against payment made to EIL and has accordingly created a provision of Rs 489.41 million in current year (net of provision made in earlier year Rs 222 million), included under Manufacturing and Other Expenses (Note 40) It may be noted that Parent Company also initiated a counter arbitration against EIL in 2002 with a claim of Rs 4,398.90 million on account of delays on part of EIL in execution of the projects and consequent loss suffered by the Parent Company. Hearing has started against this counter claim. Amount realised, if any, will be recognised as Income in the year of such receipt.

42 Related Party Disclosures

A **Names of related parties and related party relationship**

Companies having Substantial Interest in the Group

a) Chatterjee Petrochem (Mauritius) Co. [CP(M)C]
b) West Bengal Industrial Development Corporation Limited (WBIDC)

Entities in which one of the promoters have substantial interest

a) Techna Infrastructure Private Limited (TIPL)
b) TCG Urban Infrastructure Holding Private Limited (TCGUIH)
c) TCG Facility Management Private Limited (TFMPL)
d) TCG Digital Solutions Private Limited (TDSPL)
e) MCPI Private Ltd
f) TCG Advisory Services Pvt. Ltd. (TASPL)
g) TCG Lifesciences Private Limited (TLPL)
h) TCG Alternate Investment Fund (TAIF)
i) TCG Foundation (TCGF)
j) Merlin Resources Pvt Ltd (MRPL)
k) DCG DataCore Systems (India) Pvt Ltd (DDCSIPL)
l) TCG Investment Holdings Ltd (TIHL)
m) Chatterjee Management Services Pvt Ltd (CMSPL)
n) Chatterjee Management Company (CMC)
o) Shyama Investment Mauritius
p) CSL Holdings Mauritius
q) Chatterjee Fund Management LP
r) TCG Technologies B.V.
s) Garden Silk Mills Pvt Limited
t) MCPI Holdings Limited
u) TCG Life Sciences Mauritius Limited (TLSM)

Companies in which one of the Directors have substantial interest

a) Development Consultant Private Limited (DCL)

Notes forming part of Consolidated Financial Statements

Rs. in million

Associates of the Group

a) TCG Centres For Research And Education In Science And Technology (TCG Crest)

Joint Venture of the Group

a) Illuminate Aggregator LP Delaware US
b) Five P Development Company BV

Subsidiaries of Joint Venture (Illuminate Aggregator LP Delaware US)

a) Illuminate Aggregator II LP
b) Lummus Technology Holdings I LLC
c) Lummus Technology Holdings II LLC
d) Lummus Technology Holdings III LLC
e) Lummus Technology Holdings IV LLC
f) Lummus Technology Holdings V LLC
g) Lummus Technology LLC
h) Lummus Technology B.V.
i) Lummus Technology LLC Thailand Liason Office
j) Lummus Technology LLC Korea Liason Office
k) Lummus Technology 2 B.V.
l) Lummus Technology B.V. Netherlands
m) Lummus Consultants International LLC, Louisiana
n) Lummus Engineered Products LLC, Delaware
o) Lummus Technology International LLC, Delaware
p) Lummus Gasification Technology Licensing LLC Delaware
q) Lummus Technology Services LLC Delaware
r) Lummus Technology Overseas LLC Delaware
s) Lummus Technology Ventures LLC Delaware
t) Catalytic Distillation Technologies, Texas
u) Clinical Research & Licensing LLC Texas
v) Chevron Lummus Global LLC, Delaware
w) Lummus Consultants International Ltd (England & Wales)
x) OOO Lummus Technology Russia
y) Lummus Technology Heat Transfer B.V. Netherlands
z) Lummus Novolen Technology GmbH, Germany
aa) Lummus Engineering Technology China Co Ltd
ab) Lummus Technology 3 B.V. , Netherlands
ac) Lummus Consultants International Ltd (Dubai Branch)
ad) Lummus Technology Heat Transfer B.V. India
ae) Novolen Technology Holdings C.V. Netherlands
af) Lummus (Ningbo) Engineering and Technology Company Ltd., China
ag) CLG Technical Services LLC Delaware
ah) Green Circle LLC
ai) Lummus Technology Ltd. Co.
aj) Lummus Technology LLC Abu Dhabi Liaison Office
k) Lummus Technology LLC KSA Liaison Office
al) Lummus Digital LLC
am) Lummus Technology Private Limited (India)

Key Management Personnel

a) S. Chatterjee	Whole Time Director Vice-Chairman	upto 31st October 2022 from 1st November 2022
b) Navanit Narayan	Whole Time Director and Chief Executive Officer	from 1st November 2022
c) Sajal Ghosh	Company Secretary	upto 31st March 2023
d) Sarbani Mitra	Company Secretary	from 1st April 2023
e) N. Patnaik	Executive Vice President and Chief Financial Officer	

Notes forming part of Consolidated Financial Statements

Rs. in million

B Related party transactions

Joint Venture of the Group

Name of the Related Party	Nature of transaction during the year / Year end balance	For the year ended 31st March 2023	For the year ended 31st March 2022
Illuminate Aggregator LP Delaware US	Return Of Capital	—	5,922.30
	Group share of profit/(loss)	**366.52**	545.45
	Outstandings		
	Investment in Partner Capital	**45,014.96**	40,781.94
Five P Development Company BV	Investment made in Share Capital	—	11.17
	Group share of profit/(loss)	**(6.96)**	(0.19)
	Term Loan Given	**164.43**	643.47
	Interest Accrued on Term Loan	**14.11**	0.76
	Interest Received on Term Loan	**6.40**	0.12
	Outstandings		
	Investment in Share Capital	**5.18**	10.98
	Term Loan Given	**863.28**	644.36
	Interest accrued and not due	**8.35**	0.64
Associates			
TCG Centres For Research And Education In Science And Technology (TCG Crest)	Advances given	**474.23**	1,270.20
	Expenses incurred	**4.49**	1.97
	Expenses recovered	**4.18**	1.26
	Outstandings		
	Advance	**1,919.19**	1,444.97
	Recoverable	**1.02**	0.71
	Investment in Equity shares	**0.50**	0.50
Companies having Substantial Interest in the Group			
West Bengal Industrial Development Corporation Limited (WBIDC)	Redemption of Preference Share Capital	—	74.84
	Preference Dividend unwinding effect	—	9.50
	Preference Dividend charge	—	1.58
	Preference Dividend Paid	—	6.83
	Outstandings		
	Receivable	**13.16**	13.16
	Payable	**6.42**	6.41
Companies in which one of the promoters have Substantial Interest			
Techna Infrastructure Private Limited (TIPL)	Expenses on account of Rent and other infrastructure facilities	**4.61**	72.36
	Reimbursement of other expenses	**9.57**	25.14
	Purchase of floors	—	473.40
	Common Expenses for purchased floors	—	8.43
	Security Deposit paid	—	5.93
	Security Deposit refunded	**0.15**	79.78
	Loan Recovered	—	1,000.00
	Interest income during the Year	—	55.53
	Outstandings		
	Security Deposit	**5.93**	6.08
	Payable	**0.28**	0.06
TCG Urban Infrastructure Holding Private Limited (TCGUIH)	Expenses on account of Rent and other infrastructure facilities	**75.15**	74.21
	Reimbursement of Municipal Taxes	**0.05**	0.34
	Recovery of Office Space at TCG Finance Centre	**7.06**	7.98
	Loans given during the year	**1,000.00**	—
	Interest on Loan given	**4.08**	—

Notes forming part of Consolidated Financial Statements

Rs. in million

Name of the Related Party	Nature of transaction during the year / Year end balance	For the year ended 31st March 2023	For the year ended 31st March 2022
	Outstandings		
	Loan given	**1,000.00**	—
	Security Deposit paid	**36.34**	36.34
	Recoverable	**0.78**	0.65
	Payable	**0.27**	0.28
TCG Facility Management Private Limited (TFMPL)	Expenses on account of Infrastructure facilities	**4.60**	4.60
TCG Digital Solutions Private Limited (TDSPL)	Expenses on account of Business Support and Consultancy	**35.88**	`45.65
	Hardware and Software Expenses	**28.73**	25.61
	Project development related expenses	**2.90**	—
	Reimbursement of Office Accomodation Expenses	**1.68**	—
	Outstandings		
	Payable	**6.53**	4.88
MCPI Private Ltd	Expenses incurred by Related Party on our behalf	**3.34**	8.55
	Expenses incurred on behalf of Related Party	—	0.83
	Reimbursement of Office Accomodation Expenses	**25.95**	25.58
	Sale of Traded Goods	**5,134.46**	7,584.79
	Sale of Polypropelene	**0.10**	—
	Sale of Jumbo Bags	—	0.24
	Receipt of CWIP items from Group Company	**3.14**	—
	Agency Commission	**189.47**	183.97
	Outstandings		
	Advances Given	**0.43**	0.43
	Advances from Customer	**5.70**	1.39
	Payable	**4.70**	4.42
	Recoverable	**13.26**	18.10
Garden Silk Mills Pvt Limited	Sale of Traded Goods	**61.60**	—
TCG Lifesciences Private Limited (TLPL)	Expenses on account of Technical and Scientific Research	**137.11**	63.59
	Outstandings		
	Advances Given	**59.53**	—
	Payable	**93.60**	11.82
TCG Alternate Investment Fund (TAIF)			
	Outstandings		
	Investment in Alternate Investment Fund	**1,075.14**	1,188.34
TCG Foundation (TCGF)	Corporate Social Responsibility Expenses	**42.04**	2.83
DCG DataCore Systems (India) Pvt Ltd (DDCSIPL)	Expenses on account of Technical Support	**5.56**	4.04
	Outstandings		
	Payable	**0.72**	1.69
TCG Investment Holdings Ltd (TIHL)	Recovered during the year	**0.21**	—
	Outstandings		
	Payable	—	0.21
Chatterjee Management Services Private Limited (CMSPL)	Expenses on account of Business Support and Consultancy	**1.54**	1.27
	Outstandings		
	Payable	**0.58**	0.36
	Recoverable	**0.02**	0.02

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Rs. in million

Name of the Related Party	Nature of transaction during the year / Year end balance	For the year ended 31st March 2023	For the year ended 31st March 2022
Chatterjee Management Company (CMC)	Management Fees incurred during the year	**402.40**	412.90
	Outstandings		
	Payable	**825.73**	382.61
Chatterjee Fund Manamement L.P	Term Loan given	—	596.03
	Term Loan repaid	—	377.98
	Interest recognised on Term Loan	**5.09**	0.40
	Interest received on Term Loan	**2.22**	0.17
	Outstandings		
	Closing Balance of Term Loan	**246.65**	227.42
	Interest accrued and not due	**3.10**	0.22
MCPI Holdings Limited	Interest accrued on Security Deposit	**101.44**	93.14
	Interest received on Security Deposit	**100.45**	92.57
	Interest accrued on Long Term Loan	**113.61**	104.32
	Interest received on Term Loan	**112.50**	129.46
	Outstandings		
	Security Deposit	**4,110.85**	3,790.36
	Loan	**2,877.59**	2,653.25
	Interest accrued and not due on Term Loan	**28.38**	26.17
	Interest accrued and not due on Security Deposit	**25.34**	23.37
TCG Life Sciences Mauritius Limited (TLSM)	Interest accrued on Term Loan	**177.57**	154.56
	Interest received on Term Loan	**173.25**	153.76
	Outstandings		
	Term Loan	**4,263.48**	3,931.09
	Interest accrued and not due on Term Loan	**51.29**	38.77
Shyama Investment Holdings Limited	Term Loan repaid	—	334.92
	Interest accrued on Term Loan	—	2.44
	Interest received on Term Loan	—	4.07
	Interest converted into Term Loan	—	—
CSL Holdings (Mauritius) Limited	Term Loan Repaid	—	587.55
	Interest accrued on Term Loan	**10.93**	3.37
	Interest received on Term Loan	**6.70**	4.11
	Outstandings		
	Term Loan	**616.63**	568.55
	Interest accrued and not due on Term Loan	**4.79**	0.56
Companies in which one of the Directors have substantial interest			
Development Consultants Private Limited (DCL)	Expenses for Engineering Consultancy services	**5.13**	15.20
	Outstandings		
	Payable	**1.44**	2.11
	Capital Advances	**0.46**	0.46
	Security Deposit taken	**0.04**	0.04
Entities which are members of the same group			
Lummus Technology LLC	Payment for Technical Services	**4.35**	6.70
	Outstandings		
	Payable	**0.99**	—
Lummus Technology Heat Transfer B.V. Netherlands	Supply of Equipment	—	13.87
	Advisory Services taken	**3.91**	4.32
	Outstandings		
	Payable	—	0.54
Key Management Personnel			
S. Chatterjee	Short-term employee benefits	**20.28**	25.44
Navanit Narayan	Short-term employee benefits	**10.05**	—
N. Patnaik	Short-term employee benefits	**19.28**	15.05
Sajal Ghosh	Short-term employee benefits	**8.55**	7.27

*Post employment benefits are actuarially determind on overall basis and hence not separately provide.

Notes forming part of Consolidated Financial Statements

Rs. in million

43 Financial Instruments and Related Disclosures

43.1 Capital Management

The Company aims at maintaining a strong capital base maximizing shareholders' wealth safeguarding business continuity and augmenting its internal generations with a judicious use of borrowing facilities to fund spikes in working capital that arise from time to time as well as requirements to finance business growth.

The Company's Debt to Equity Ratio is as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
Debt	**79,801.60**	73,302.20
Equity	**1,29,986.73**	1,33,698.24
Debt to Equity Ratio	**0.61**	0.55

43.2 Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

Instrument wise interest exposure of borrowings at the end of reporting period are as below:

	Particulars	As at 31st March 2023		As at 31st March 2023	
		Carrying Value	Floating Value	Carrying Value	Floating Value
A.	**Financial assets**				
a)	**Measured at amortised cost**				
i)	Cash and cash equivalents	**844.54**	**844.54**	3,863.96	3,863.96
ii)	Other bank balances	**2,698.54**	**2,698.54**	1,245.22	1,245.22
iii)	Investment in Bonds	**8,942.30**	**8,813.44**	6,043.41	6,101.16
iv)	Loans	**9,870.38**	**9,870.38**	8,026.97	8,026.97
v)	Trade receivables	**3,723.42**	**3,723.42**	3,331.56	3,331.56
vi)	Other financial assets	**15,125.26**	**15,125.26**	4,306.50	4,306.50
	Sub-total	**41,204.44**	**41,075.58**	26,817.62	26,875.37
b)	**Measured at Fair value through Profit or Loss**				
I)	Investment In Mutual Funds	**13,453.60**	**13,453.60**	23,564.41	23,564.41
ii)	Investment In Alternate Investment Funds	**1,254.67**	**1,254.67**	1,267.87	1,267.87
iii)	Investment in Equity Shares	**2,713.01**	**2,713.01**	3,133.16	3,133.16
iv)	Derivative instruments not designated as hedging instruments	**11.34**	**11.34**	—	—
	Sub-total	**17,432.62**	**17,432.62**	27,965.44	27,965.44
c)	**Measured at Cost**				
I)	Investment in Subsidiaries	**45,130.00**	**45,130.00**	40,903.70	40,903.70
	Sub-total	**45,130.00**	**45,130.00**	40,903.70	40,903.70
	Total financial assets	**1,03,767.05**	**1,03,638.20**	95,686.75	95,744.50

Notes forming part of Consolidated Financial Statements

Rs. in million

	Particulars	As at 31st March 2023		As at 31st March 2022	
		Carrying Value	Floating Value	Carrying Value	Floating Value
B.	**Financial liabilities**				
a)	**Measured at amortised cost**				
I)	Borrowings	**79,801.60**	**79,801.60**	73,302.20	73,302.20
ii)	Trade payables	**9,213.98**	**9,213.98**	12,455.69	12,455.69
iii)	Other financial liabilities	**4,135.44**	**4,135.44**	2,781.33	2,781.33
	Sub-total	**93,151.02**	**93,151.02**	88,539.22	88,539.22
b)	**Derivatives measured at fair value**				
i)	Derivative instruments not designated as hedging instruments	**75.97**	**75.97**	2.03	2.03
	Sub-total	**75.97**	**75.97**	2.03	2.03
	Total financial liabilities	**93,226.99**	**93,226.99**	88,541.25	88,541.25

The management assessed that cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of loans from banks, trade payables and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

The fair values of The Company's interest-bearing borrowings and loans are determined by using Discounted Cashflow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31st March 2023 was assessed to be insignificant. The discount for lack of marketability represents the amounts that the Company has determined that market participants would take into account when pricing the investments.

43.3 Financial risk management objectives

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to financial risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market risk

The Company's Financial Instruments are exposed to market changes. The Company is exposed to the following significant market risk:

Foreign Currency Risk

Interest Rate Risk

Other Price Risk

Market Risk Exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

Notes forming part of Consolidated Financial Statements

Rs. in million

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

Valuation techniques with observable inputs (Level 2): Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. Derivatives are valued using valuation techniques with market observable inputs such as foreign exchange spot rates and forward rates at the end of the reporting period, yield curves, risk free rate of returns, volatility etc., as applicable.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

	For the year ended 31 March, 2023				For the year ended 31 March, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
A. Measured at Fair value through Profit and Loss								
Investment In Mutual Funds	13,453.60	—	—	13,453.60	23,564.41	—	—	23,564.41
Investment in Alternative Investment Fund	—	1,254.67	—	1,254.67	—	1,267.86	—	1,267.86
Investment in Equity Shares	—	—	2,713.01	2,713.01	—	—	3,133.16	3,133.16
B. Measured at Amortised Cost								
Investment in Bonds	—	—	8,813.44	8,813.44	—	—	6,101.16	6,101.16
Loans*	—	—	4,495.45	4,495.45	—	—	1.58	1.58
Other Financial Assets*	—	—	14,550.85	14,550.85	—	—	3,965.34	3,965.34
C. Investments in Joint Ventures and Associates at Cost	—	—	45,130.00	45,130.00	—	—	40,903.70	40,903.70
D. Derivatives measured at Fair Value								
Derivative instruments not designated as hedging instruments	—	11.34	—	11.34	—	—	—	—
	13,453.60	1,266.01	75,702.75	90,422.36	23,564.41	1,267.86	54,104.94	78,937.21
Financial liabilities								
A. Measured at Amortised Cost								
Borrowings	—	—	79,801.60	79,801.60	—	—	73,302.20	73,302.20
Other financial liabilities*	—	—	427.84	427.84	—	—	83.40	83.40
B. Derivatives measured at Fair value								
Derivative instruments not designated as hedging instruments	—	75.97	—	75.97	—	2.03	—	2.03
	—	75.97	80,229.44	80,305.41	—	2.03	73,385.60	73,387.63

*Represents Fair value of Non-current Financial Instruments

I. Foreign currency risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognised assets and liabilities, which are not in the Company's functional currency (Indian Rupees).

A significant portion of these transactions are in US Dollar,euro, etc. The carrying amount of foreign currency denominated financial assets and liabilities including derivative contracts, are as follows:

Notes forming part of Consolidated Financial Statements

Rs. in million

As at 31st March 2023	USD	Euro	JPY	Others*	Total
Financial Assets	**21,600.10**	**—**	**—**	**—**	**21,600.10**
Financial Liabilities	**62,265.82**	**31.40**	**60.68**	**0.98**	**62,358.00**
As at 31st March, 2022					
Financial Assets	24,162.41	—	—	—	24,162.41
Financial Liabilities	59,600.79	26.18	63.35	1.93	59,692.24

* Others primarily include GBP-Great Britain Pound & CHF - Swiss Franc

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions.

The Group enters into foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

Particulars	As at 31st March 2023	As at 31st March 2022
Forward contract Sell (USD 7.00 million) (31st March 2022: USD 9.01 million)	**575.95**	694.70
Forward contract Buy (USD 8.50 million) (31st March 2022: USD 2.50 million)	**699.88**	189.57
Options contract Buy (USD 75 million) (31st March 2022: Rs NIL)	**6,268.75**	—

Hedging against the underlying INR borrowings by which:

- Group will receive principal in INR and pay in foreign currency

- Group will receive fixed interest in INR and pay fixed / floating interest in foreign currency

Particulars		As at 31st March 2023	As at 31st March 2022
(i) Financial Liabilities:	Euro	**31.40**	26.18
	USD	**55,297.19**	59,411.22
	JPY	**60.68**	63.35
	Others	**0.98**	1.93
(ii) Financial Assets	USD	**21,024.14**	23,467.71

Particulars	As at 31st March 2023	As at 31st March 2022
EURO	**(1.57)**	(1.31)
USD	**(1,713.65)**	(1,797.18)
JPY	**(3.03)**	(3.17)
Others	**(0.05)**	(0.10)

Note: If the rate is decreased by 5% profit will decrease by an equal amount.
Figures in brackets indicate decrease in profit

ii. Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objectives of the Company's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimise counter party risks.

Notes forming part of Consolidated Financial Statements

Rs. in million

The Group is exposed to interest rate volatilities primarily with respect to its Term borrowings from banks as well as Financial Institutions, export packing credit facilities, cash credit facilities. Such volatilities primarily arise due to changes in money supply within the economy and/or liquidity in banking system due to asset/liability mismatch, poor quality assets etc. of banks. The Company manages such risk by operating with banks having superior credit rating in the market as well as Financial Institutions.

Interest Rate Sensitivities for outstanding exposure (impact on increase in 50 bps)

Particulars	As at 31st March 2023	As at 31st March 2022
INR	**133.03**	99.36
USD	**265.98**	266.42

Note: If the rate is decreased by 50 bps profit will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period. Further, the calculations for the unhedged floating rate borrowing have been done on the notional value of the foreign currency (excluding the revaluation).

iii. Price risk

The Group invests its surplus funds primarily in debt mutual funds and alternate investment funds measured at fair value through profit or loss and in Bonds which are measured at amortised cost. Aggregate value of such investments as at 31st March, 2023 is Rs 22,413.98 Million (Previous year: As at 31st March, 2022 - Rs 29,963.11 Million). Investments in the such schemes are measured at fair value. Accordingly, these do not pose any significant price risk.

b) Commodity Price Risk:

The Group has adopted a hedging strategy duly approved by its Risk Management Committee to minimise the impact of fluctuations in the prices of its commodities. The Company has made a beginning in the current financial year by hedging a small quantity of its feedstock naphtha and certain quantity for naphtha-benzene spread, benzene being a finished product of the company. For Commodities hedging, there exist Over-the-Counter (OTC) and Exchange markets that offer financial instruments (derivatives), that enable managing the price risks. Strategic decisions regarding the timing and the usage of derivatives instruments are taken based on various factors including market conditions, physical inventories, macro-economic situation. The Risk Management Committee has oversight on all hedging actions taken.

c) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its obligations. The Group mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle and ensuring optimal movements of its inventories. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

Particulars	As at 31st March 2023			As at 31st March 2022		
	Current	1-5 years	> 5 yrs.	Current	1-5 years	> 5 yrs.
Financial liabilities						
I) Borrowings	**16,710.69**	**48,118.49**	**14,972.42**	11,376.14	40,144.47	21,779.62
ii) Trade payables	**9,213.98**	—	—	12,455.69	—	—
iii) Other financial liabilities	**3,708.71**	**370.69**	**57.13**	2,697.92	42.04	41.35
iv) Derivative instruments not designated as hedging instruments	**74.86**	—	—	2.04	—	—
Total	**29,708.25**	**48,489.18**	**15,029.55**	26,531.79	40,186.52	21,820.98

The Group manages this risk by utilising unused credit lines and portfolio diversion. The Company has investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes.

Financing Facilities

Particulars	As at 31st March 2023	As at 31st March 2022
Secured bank cash credit facility:		
- amount unused	**3,559.90**	4,000.00
	3,559.90	4,000.00

Credit risk

Credit risk is the risk that counter party will not meet its obligations leading to a financial loss. The Group has its policies to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customer's basis which, the terms of payment are decided. Credit limits are set for each customer which are reviewed on periodic intervals. The credit risk of the Group is low as the Group largely sells its products in domestic market through the Consignment Stockist Agent (CSA) against credit limit determined on the basis of cash deposit and bank guarantee. Exports are mostly backed by letter of credit or on advance basis.

Notes forming part of Consolidated Financial Statements

Rs. in million

Particulars	As at 31st March 2023	As at 31st March 2022
Opening Balance:	**13.35**	13.35
Less: Utilisation made for impairment / derecognition	**9.49**	—
Clsoing Balance	**3.85**	13.35

44 Information given in accordance with the requirements of IndAS 108 on Segment Reporting:

A The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Executive Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance.

The Group has identified two primary Business Segments viz.

Petrochemicals representing polymer and chemical businesses

Others representing trading business of the company

The Group has two secondary Business Segments viz.

In India representing revenues generated in India out of assets located in India

Outside India representing revenues generated outside India out of assets located in India and outside India

These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

B Unallocable represents all items of assets, liabilities, income and expenditure which cannot be allocated to any particular segment.

C There are no Inter segment revenues.

Sl. No.	Particulars	PETROCHEMICALS		TECHNOLOGY		OTHERS		UNALLOCABLE		TOTAL	
		For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st	For the year ended 31st
a)	Revenue - External (Gross)	**1,43,323.31**	1,17,418.35	—	—	**15,457.49**	9,818.43	—	—	**1,58,780.80**	1,27,236.78
b)	Segment Results [Profit / (Loss)]	**(9,360.77)**	(1,170.56)	—	—	**3,267.55**	216.38	—	—	**(6,093.23)**	(954.18)
	Add / (Less): Unallocated expenses net of unallocated Income	—	—	—	—	—	—	**1,280.49**	2,395.21	**1,280.49**	2,395.21
	Operating Profit / (Loss)	—	—	—	—	—	—	—	—	(4,812.74)	1,441.03
	Interest and Financial Charges	—	—	—	—	—	—	**5,292.01**	3,945.47	**5,292.01**	3,945.4
	Less: Share of profit/(loss) of Associates and Joint Ventures	—	—-	**102.76**	364.91	—	—	—	—	**102.76**	364.91
	Profit / (Loss) before exceptional items and tax	—	—	—	—	—	—	—	—	(10,001.99)	(2,139.53)
	Exceptional Item	—	—	—	—	—	—	—	—	—	5,833.25
	Profit / (Loss) before tax	—	—	—	—	—	—	—	—	(10,001.99)	3,693.72
	Tax Expenses / Adjustments	—	—	—	—	—	—	—	—	(2,995.19)	1,592.20
	Profit / (Loss) after tax	—	—	—	—	—	—	—	—	(7,006.80)	2,101.52
c)	Depreciation/ Amortisation	**14,825.00**	15,073.93	—	—	**180.07**	179.35	—	—	**15,005.07**	15,253.28
d)	Segment Assets	**1,54,396.98**	1,64,725.27	**45,019.21**	40,792.91	**19,734.39**	17,312.62	**41,865.88**	42,849.47	**2,61,016.46**	2,65,680.27
e)	Segment Liabilities (excluding shareholders' funds)	**8,519.92**	14,304.89	—	—	**4,983.54**	1,267.15	**92,178.62**	88,910.16	**1,05,682.08**	1,04,482.20
f)	Capital Expenditure	**2,091.33**	6,634.82	—	—	**143.07**	68.47	—	—	**2,234.40**	6,703.29

	Particulars	INDIA		OUTSIDE INDIA		TOTAL	
		For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a)	Revenue	**1,21,084.75**	95,366.76	**37,696.05**	31,870.02	**1,58,780.80**	1,27,236.78
b)	Assets	**1,94,525.30**	2,06,718.85	**66,491.16**	58,961.42	**2,61,016.46**	2,65,680.27
c)	Capital Expenditure	**2,232.88**	6,687.56	**1.52**	15.73	**2,234.40**	6,703.29

Note: No single customer represents 10% or more of the Company's total revenue for the year ended 31st March, 2023 and 31st March, 2022.

Notes forming part of Consolidated Financial Statements

Rs. in million

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
45 Earnings Per Share (EPS)		
Net profit/(loss) for calculation of basic / diluted EPS	(7,006.80)	2,101.52
Weighted Average number of Equity Shares for calculating basic and diluted EPS	1,68,79,38,532.00	1,68,79,38,532.00
Basic and Diluted EPS per share (Face Value Rs 10/- per share) in Rupees	(4.15)	1.25

46 Following Corporate Insolvency Resolution Process under section 230 of the Companies Act,2013 read with Sec 33,53 and 60(5) of Insolvency and Bankruptcy Code, 2016 and Regulation 32 of IBBI (Liquidation Process) Regulations,2016 approved by the National Company Law Tribunal (NCLT), Chennai Bench, in respect of M/s Nagarjuna Oil Corporation Limited (NOCL), HPL submitted a scheme of arrangement (Scheme) for acquiring the project assets including the entire freehold and leasehold land measuring 539.22 acres and 1,646.34 acres respectively free from all encumbrances, on 'as is where is basis', for setting up a Petrochemicals Complex. The said Scheme of HPL with a bid value of Rs. 6,000 million (inclusive of taxes) to be paid in 3 Stages, was approved by NCLT, Chennai Bench on 19th March 2021.

In terms of the said approved Scheme, HPL has paid the Stage-1 payment of Rs 250 million on 2nd April, 2021. The balance payments will be made in 2 stages upon fulfilment of the other conditions precedents mentioned in the approved Scheme.

As per the approved Scheme, the erstwhile BOOT operators of NOCL are obligated to vacate the land and remove their assets from the premises of NOCL within 90 days from the date of NCLT order, failing which the Official Liquidator (OL) of NOCL will have the right to vacate the land and remove such assets at the risk and cost of the BOOT operators. The Resolution Professional (RP) of COGIL, one of the BOOT Operators has filed an application against the HPL's Scheme on 18th March 2021 before NCLT, Amaravati and the said Bench has granted an injunction inter alia restraining the Official Liquidator (OL) to proceed for the eviction. The said RP has also filed an appeal under Sec 421 of the Companies Act, 2013 in NCLAT, Chennai on 25th May 2021 to set aside the Order of the NCLT, Chennai Bench dated 18th March 2021 or alternatively for directing the Official Liquidator of NOCL and HPL to modify the Scheme, taking into consideration the rights and interests of the BOOT operator and its lenders. HPL and Liquidator of NOCL have filed Application/Appeal before the respective Adjudicating Authorities. The application and appeal filed by RP of COGIL were dismissed and the injunction/interim order stands vacated by NCLT Amaravati Bench. Thereafter appeals filed by HPL and Liquidator of NOCL were also dismissed.

Subsequently, COGIL went through the Corporate Insolvency Resolution Process as per Insolvency and Bankruptcy Code, 2016 and the Resolution Professional (RP) invited Expressions of Interest from Persons interested in submitting resolution plan for COGIL, based on which HPL has submitted its offer bidding for the assets of COGIL free of any encumbrances and liabilities. HPL strategically participated mainly to settle the aforesaid legal complications with COGIL and to prevent disruption in the NOCL asset acquisition process. Basis Request for Resolution plan issued by the RP, COGIL, HPL had submitted a Resolution Plan, which has a precondition that all legal cases initiated by COGIL before NCLT/ NCLAT shall stand withdrawn. The Resolution Plan has since been approved by NCLT Amravati vide its order dated 16.2.2022.

The Parent Company has paid the first tranche of Rs 18.75 million on 18.02.2022. HPL submitted Performance Bank Guarantee (PBG) dated 17th May 2022 for INR 35.625 crores towards second tranche payment as stipulated in the Approved resolution Plan and on receipt of said original PBG the Monitoring Agent (erstwhile RP) for COGIL handed over to HPL Industrial Estates Limited (HIEL), a wholly owned subsidiary of HPL formed to take over the assets of COGIL in lines with the Resolution Plan, possession of following assets and properties of COGIL free from all charges and encumbrances:

1 Freehold land admeasuring 2160 sq.ft through a Sale Deed dated 9th June 2022 in favour of HPL Industrial Estates Ltd (HIEL)

2 Leasehold land admeasuring 322.401 acres originally leased/sub leased to COGIL by NOCL

3 All movable assets comprising mainly Tanks (including loose input tank fabrication materials such as steel pipes, steel plates, girders, electrical cables, pumps etc.) lying at COGIL site

47 The Indian Parliament had approved the Code on Social Security, 2020 [Code] in September 2020 relating to employee benefits i.e. benefits during employment as well as post-employment. The same had also received Presidential Assent. The Ministry of Labour and Employment had released draft rules for the Code on November 13, 2020, and had invited suggestions from stakeholders, which are under active consideration by the Ministry. The Group will assess the impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes forming part of Consolidated Financial Statements

Rs. in million

48 Two new wholly owned subsidiaries namely HPL Industrial Parks Limited (HIPL) and HPL Industrial Estates Limited (HIEL) were incorporated on 21st January, 2022 and on 4th February, 2022 respectively. These two companies have prepared their first financial statements from respective date of incorporation upto March 31, 2023. During the current period a new wholly owned subsidiary Adplus Chemicals and Polymers Private Limited (Adplus) was incorporated on September 14, 2022 with an initial equity capital of Rs 10 million. This Company has prepared its first financial statements from the date of incorporation upto March 31, 2023.

49 Other Disclosures

(a) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.

(b) There are no transactions that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.

(c) Relationship with struck off companies: The Company does not have any transactions or relationships with any companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

50 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Name of the entity in the	**Net Assets, i.e., total** assets minus total liabilities		**Share in profit or loss**		**Share in other** comprehensive income		**Share in total** comprehensive income	
	As % of consolidated net assets	Amount in Rs. Million	As % of consolidated profit or loss	Amount Rs. Million	As % of consolidated other comprehensive income	Amount Rs. Million	As % of consolidated total comprehensive income	Amount Rs. Million
Parent:								
Haldia Petrochemicals Limited	82.05%	1,27,447.93	95.67%	(6,703.58)	0.56%	6.44	114.22%	(6,697.14)
Subsidiaries:								
Indian:								
Haldia Riverside Estate Ltd	0.47%	735.31	(0.43%)	30.13	—	—	(0.51%)	30.13
HPL Go Pvt Ltd	0.05%	82.04	(1.62%)	113.62	(0.03%)	(0.29)	(1.93%)	113.33
Advanced Performance Materials Pvt Ltd	2.78%	4,317.48	(21.42%)	1,500.96	—	—	(25.60%)	1,500.96
SIO2P Private Limited	—	0.07	—	(0.03)	—	—	—	(0.03)
HPL Industrial Estates Limited	0.01%	14.75	(0.03%)	2.05	—	—	(0.03%)	2.05
HPL Industrial Parks Limited	0.00%	0.08	0.00%	(0.09)	—	—	0.00%	(0.09)
Adplus Chemicals and Polymers Private Limited	0.01%	9.97	0.00%	(0.06)	—	—	0.00%	(0.06)
Foreign:								
HPL Global Pte Ltd	6.88%	10,684.00	(13.27%)	930.11	(42.02%)	(480.39)	(7.67%)	449.73
HPL Technologies BV	7.75%	12,042.75	42.57%	(2,982.66)	119.10%	1,361.48	27.65%	(1,621.19)
Joint Venture:								
Foreign:								
Illuminate Aggregator LP	—	—	(1.58%)	110.64	0.22	254.96	(6.24%)	365.60
Five P Development Company B.V.			0.11%	(7.88)	0.08%	0.92	0.00	(6.96)
Total:	**100.00%**	**1,55,334.38**	**100.00%**	**(7,006.80)**	**100.00%**	**1,143.12**	**100.00%**	**(5,863.68)**

51 Figures for the previous periods have been regrouped and reclassified wherever necessary, to conform to the classification of the current period.

See accompanying notes 1 - 51 to the Consolidated Financial Statements
in terms of our report attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants

A. Bhattacharya
Partner
Membership No. 054110

Kolkata
Dated : 18th May, 2023

For and on behalf of the Board of Directors

Subhasendu Chatterjee
Director
DIN: 00153459
Kolkata
Dated : 18th May 2023

Navanit Narayan
Wholetime Director & Chief Executive Officer
DIN: 08280314
New Delhi
Dated : 18th May 2023

Sarbani Mitra
Company Secretary
Kolkata
Dated : 18th May 2023

N Patnaik
Chief Financial Officer
USA
Dated : 18th May 2023

Haldia Petrochemicals Limited

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