



HINDUSTAN PETROLEUM CORPORATION LIMITED

Corporate Identification Number: L23201MH1952GOI008858

Permanent Account Number: AAACH1188B

Date and Place of Incorporation: July 5, 1952, Mumbai.

Registered and Corporate Office: Petroleum House, 17, Janshedji Tata Road, Churchgate, Mumbai- 400020

Telephone: (+91 22) 2286 3900. E-mail: corphqo@hpccl.co.in. Website: www.hindustanpetroleum.com

Compliance Officer and Company Secretary: Mr. V. Murali. Telephone: (+91 22) 2286 3900. E-mail: corphqo@hpccl.co.in

Chief Financial Officer: Mr. Rajneesh Narang. Telephone: (+91 22) 2286 3900. E-mail: corphqo@hpccl.co.in

FOR PRIVATE CIRCULATION ONLY PLACEMENT MEMORANDUM

PRIVATE PLACEMENT OF UNSECURED, LISTED, RATED, TAXABLE, NON-CUMULATIVE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF RS. 1 LAKH (RUPEES ONE LAKH) EACH ("DEBENTURES") FOR AN AMOUNT OF RS. 800,00,00,000 (RUPEES EIGHT HUNDRED CRORE) AT PAR ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION BY WAY OF GREEN SHOE OPTION OF RS. 850,00,00,000 (RUPEES EIGHT HUNDRED FIFTY CRORE) ("GREEN SHOE OPTION"), AGGREGATING TO RS. 1650,00,00,000 (RUPEES ONE THOUSAND SIX HUNDRED FIFTY CRORE) ("ISSUE").

PLACEMENT MEMORANDUM DATED MARCH 1, 2023

This Issue is being made in conformity with the Companies Act, 2013, as amended, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, ("NCS Regulations"), Form PAS-4 prescribed under Section 42 and Rule 14 (1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the Companies (Share Capital and Debenture) Rules, 2014, as amended, and is a placement memorandum for the purposes of the NCS Regulations. This issuance would be under the electronic book mechanism for issuance of debt securities on private placement basis in accordance with Chapter VI of the SEBI circular on "Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper", dated August 10, 2021 ("SEBI Operational Circular"), read with the "Operational Guidelines for issuance of Securities on Private Placement basis through an Electronic Book Mechanism" issued by BSE vide their notice number SEBI/HO/DDHS/Div1/P/CIR/2022/00139 dated October 10, 2022 ("BSE EBP Guidelines"). Chapter VI of the SEBI Operational Circular and the BSE EBP Guidelines shall hereinafter be collectively referred to as the "EBP Operational Guidelines". There has not been any underwriting in this Issue.

PROMOTERS

The President of India acting through the Ministry of Petroleum and Natural Gas, Government of India, and Oil and Natural Gas Corporation Limited. The telephone number and email address of Oil and Natural Gas Corporation Limited is secretariat@ongc.co.in and (+91 11) 2675 4073/85.

ELECTRONIC BOOK PROVIDER PLATFORM

THIS PLACEMENT MEMORANDUM IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF A PROSPECTUS AND NEITHER IS AN OFFER OR INVITATION UNDER SECTION 42 OF THE COMPANIES ACT 2013, BEING MADE UNDER THIS PLACEMENT MEMORANDUM. THIS PLACEMENT MEMORANDUM WILL BE UPLOADED ON THE BSE ELECTRONIC BOOK PROVIDER PLATFORM AND AN OFFER WILL BE MADE TO SUCCESSFUL IDENTIFIED INVESTORS ACCEPTABLE TO THE ISSUER WHICH ARE ISSUED A SERIALY NUMBERED AND SPECIFICALLY ADDRESSED PRIVATE PLACEMENT OFFER LETTER AND ACCOMPANYING APPLICATION FORM AFTER COMPLETION OF THE ELECTRONIC BIDDING.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Placement Memorandum contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Placement Memorandum is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Placement Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

GENERAL RISKS

Investment in non-convertible securities involve a degree of risk and Eligible Investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Eligible Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, Eligible Investors must rely on their examination of the issue including the risks involved in it. Specific attention of Eligible Investors is invited to statement of risk factors contained under Section VII (Risk Factors) of this Placement Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the Debentures or an Eligible Investor's decision to purchase such securities. The Debentures have not been recommended or approved by any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of this Placement Memorandum.

LISTING

The Debentures are proposed to be listed on debt market segment of the NSE and BSE. The NSE and BSE have granted in-principle approval for listing by letters dated February 22, 2023 and February 23, 2023, respectively.

COUPON RATE	COUPON PAYMENT FREQUENCY	REDEMPTION DATE	REDEMPTION AMOUNT
7.74%	Annual	5 (Five) years from the Deemed Date of Allotment, on March 2, 2028.	Rs. 1 Lakh for each Debenture

ELIGIBLE INVESTORS



All qualified institutional buyers (as defined under Regulation 2(1)(xx) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, and specific non-qualified institutional buyers mapped by the Issuer to the BSE Electronic Book Provider Platform.

CREDIT RATING

CRISIL Ratings Limited has by way of letter dated February 16, 2023 assigned a rating of "CRISIL AAA/Stable" (pronounced "CRISIL Triple A") to the Debentures. ICRA Limited has by way of letter dated February 16, 2023 assigned "ICRA AAA/Stable" (pronounced as "ICRA Triple A") to the Debentures. These ratings of the Debentures by CRISIL Ratings Limited and ICRA Limited indicates the highest credit quality rating and lowest credit risk carried by the instrument. The above ratings are not a recommendation to buy, sell or hold securities and Eligible Investors (as defined below) should take their own decision. These ratings may be subject to revision or withdrawal at any time by the assigning rating agency and should be evaluated independently of any other ratings. The press releases, rating rationales and rating letters are attached as Annexure IV. No other credit ratings have been obtained for the purposes of this Issue.



Link for CRISIL Ratings Limited: <https://www.crisilratings.com/en/home/our-business/ratings/company-factsheet/HINPETR.html>
Link for ICRA Limited: <https://www.icra.in/Rationale/Index?Company=Hindustan%20Petroleum%20Corporation%20Limited>

CREDIT RATING AGENCIES

 An S&P Global Company	 A MOODY'S INVESTORS SERVICE COMPANY
CRISIL RATINGS LIMITED	ICRA LIMITED
CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai, 400 076 Email Address: ratingletterdesk@crisil.com Telephone: (+91 22) 3342 3000 Website: www.crisil.com	B-710, Statesman House, 148, Barakhamba Road, New Delhi, 110 001 Email Address: info@icraindia.com Telephone: (+91 22) 6169 3300 Website: www.icra.in

DEBENTURE TRUSTEE

REGISTRAR TO THE ISSUE

 IDBI Trusteeship Services Ltd	
IDBI TRUSTEESHIP SERVICES LIMITED	LINK INTIME INDIA PRIVATE LIMITED
Universal Insurance Building, Ground Floor, Sir P M Road, Mumbai - 400001 Telephone: (+91 22) 4080 7000 E-mail: itslcompliance@idbitrustee.com , itsl@idbitrustee.com Website: https://idbitrustee.com/ Contact Person: Mr. Gaurav Jeswani SEBI Registration Number: IND000000460	247 Park, C 101 1 st Floor, LBS Marg, Vikhroli (W), Mumbai - 400083 Telephone: (+91 22) 4918 6000 Facsimile: (+91 22) 4918 6060 Email: debitca@linkintime.co.in Website: https://linkintime.co.in/ Contact Person: Mr. Amit Dabhadre SEBI Registration Number: INR000004058

ISSUE OPENING DATE	ISSUE CLOSING DATE	PAY IN DATE	DEEMED DATE OF ALLOTMENT
MARCH 1, 2023	MARCH 1, 2023	MARCH 2, 2023	MARCH 2, 2023



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SECTION I DEFINITIONS AND ABBREVIATIONS

In the Placement Memorandum, in addition to the terms defined elsewhere or unless the context otherwise requires, the terms defined and abbreviations set out below shall have the meaning as stated in this section. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications.

ISSUER RELATED TERMS

Articles of Association	Articles of association of the Issuer as amended.
Board or Board of Directors	The board of directors of the Issuer.
Director	A member of the Board of Directors.
Equity Shares	Equity shares of the Issuer of face value of Rs. 10 (ten) each.
Independent Director	An independent director referred to in sub-section (4) of Section 149 of the Companies Act.
Issuer	“Hindustan Petroleum Corporation Limited”, a public limited company originally incorporated under Companies Act, 1913.
Key Managerial Personnel	Key managerial personnel, in relation to the Issuer, shall mean: <ul style="list-style-type: none"> • Chief Executive Officer; • Company Secretary; • Whole-time Directors; • Chief Financial Officer; and • any such other officer as may be prescribed under the Companies Act.
Managing Director	The managing director as referred to in sub-section (54) of Section 2 of the Companies Act.
Memorandum of Association	Memorandum of Association of the Issuer as originally framed or as altered from time to time in pursuance of the Companies Act.
Promoter	A promoter as referred to in sub-section (69) of Section 2 of the Companies Act.

ISSUE RELATED TERMS

Allotment or Allot	The issue and allotment of the Debentures to the successful Applicants pursuant to this Issue.
Application Form	The form in terms of which the Applicant shall make an offer to subscribe to the Debentures and which will be considered as the application for Allotment of Debentures.
Applicant or Investor	An Eligible Investor who subscribes to the Debentures pursuant to the terms of the Private Placement Offer Letter and the Application Form.
Arranger	The entity as listed in this respect in the Placement Memorandum.
Base Issue Size	Rs. 800,00,00,000 (Rupees Eight Hundred Crore)
Beneficial Owner(s)	Debenture Holder(s) holding Debenture(s) in dematerialized form (‘Beneficial Owner’ of the Debenture(s) as defined in clause (a) of sub-section of Section 2 of the Depositories Act, 1996).
Business Day	The day (i) in respect of any payment of interest or principal, a ‘working day’ as defined in the SEBI NCS Regulations and shall be a day on which commercial banks in Mumbai are open for business (within the meaning of Chapter III of the SEBI Operational Circular); (ii) in respect of the announcement of bid/issue period, all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (iii) in respect of the time period between the bid date or issue closing date and the listing of the Debentures on the Stock Exchanges, all trading days of the Stock Exchanges for the Debentures, excluding Saturdays, Sundays and bank holidays, as specified by the SEBI; and, (iv) for any other purpose, a day other than a Saturday or a Sunday or a public holiday under Section 25 of the Negotiable Instruments Act, 1881, in Mumbai.
BSE	BSE Limited.



BSE EBP Platform	The electronic book provider platform of the BSE.
CDSL	Central Depository Services (India) Limited.
Companies Act	Companies Act, 2013, as amended.
Coupon or Interest	As defined in Section XVI “Summary Term-Sheet” of the Placement Memorandum.
Coupon Payment Date or Interest Payment Date	As defined in Section XVI “Summary Term-Sheet” of the Placement Memorandum.
Crore	An amount of 1,00,00,000.
Debentures	Unsecured, listed, rated, taxable, non-cumulative, redeemable, non-convertible debentures, of face value of Rs. 1,00,000 (Rupees One Lakh) offered under the Issue through private placement route under the terms of the Placement Memorandum.
Debenture Trustee	IDBI Trusteeship Services Limited.
Debenture Holder(s)	The persons who are the initial subscribers to the Debentures and for the time being holders of the Debentures, and for the subsequent Debenture Holder(s) from time to time any person holding the Debentures and whose name appears in the list of Beneficial Owners provided by the Depositories or whose name appears in the Register of Debenture Holders maintained by the Issuer or Registrar.
Deemed Date of Allotment	The date on which the official(s) authorized by the Board approves the allotment of Debentures. All benefits accruing in relation to the Debentures including Coupon on the Debentures shall be available from the Deemed Date of Allotment. The actual allotment of Debentures may occur on a date later than Deemed Date of Allotment.
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 2018, as amended.
Depositories Act	The Depositories Act, 1996, as amended.
Depository Participant or DP	A depository participant as defined under Depositories Act, 1996.
DRR	Debenture redemption reserve.
ECS	Electronic clearing service.
Eligible Investor	As defined in Section XVI “Summary Term-Sheet” of the Placement Memorandum.
Stock Exchanges	NSE and BSE.
Financial Year	Period of 12 months ended March 31 of that particular year.
FPI	Foreign portfolio investors as defined under SEBI (Foreign Portfolio Investors) Regulations, 2019, as amended, and registered with SEBI.
GoI or Government	Government of India.
Green Shoe Amount	Rs. 850,00,00,000 (Rupees Eight Hundred Fifty Crore).
ICCL	Indian Clearing Corporation Limited
Income Tax Act	Income Tax Act, 1961, as amended
Issue	Private placement by the Issuer of unsecured, listed, rated, taxable, non-cumulative, redeemable, non-convertible debentures of face value of Rs.1,00,000 each, for a Base Issue Size of Rs. 800,00,00,000 (Rupees Eight Hundred Crore) with Green Shoe Amount to retain oversubscription of Rs. 850,00,00,000 (Rupees Eight Hundred Fifty Crore), with a Total Issue Size of aggregating to Rs. 1650,00,00,000 (Rupees One Thousand Six Hundred Fifty Crore) on the terms and conditions as set out in this Placement Memorandum. All other provisions as per SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 shall be applicable.
Issue Opening Date	As defined in Section XVI “Summary Term-Sheet” of the Placement Memorandum.



Issue Closing Date	As defined in Section XVI “ <i>Summary Term-Sheet</i> ” of the Placement Memorandum.
ISIN	International Securities Identification Number.
Lakh	An amount of 1,00,000.
NCS Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended.
NEFT	National electronic funds transfer.
Non-QIB Investor	An Eligible Investor that is not a qualified institutional buyer, and is specifically mapped to the BSE EBP Platform by the Issuer for this Issue of Debentures.
NSDL	National Securities Depository Limited.
PAN	Permanent account number.
Pay In Date	As defined in Section XVI “ <i>Summary Term-Sheet</i> ” of the Placement Memorandum.
Private Placement	Offer of Debentures or invitation to subscribe to the Debentures of the Issuer (other than by way of public offer) through issue of the private placement as permitted under the Companies Act and applicable laws.
Placement Memorandum	This placement memorandum dated March 1, 2023 uploaded on the debt market segment of the BSE and NSE.
Private Placement Offer Letter	The private placement offer letter for Private Placement of Debentures.
QIB	<p>Qualified institutional buyers (as defined under Regulation 2(1)(ss) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, which comprises of the following investors:</p> <ul style="list-style-type: none"> • a mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor registered with the SEBI; • foreign portfolio investor other than individuals, corporate bodies and family offices; • a public financial institution; • a scheduled commercial bank; • a multilateral and bilateral development financial institution; • a state industrial development corporation; • an insurance company registered with the Insurance Regulatory and Development Authority of India; • a provident fund with minimum corpus of Rs. 25 Crore; • a pension fund with minimum corpus of Rs. 25 Crore; • National Investment Fund set up by resolution no. F.No.2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; • insurance funds set up and managed by army, navy or air force of the Union of India; • insurance funds set up and managed by the Department of Posts, India; and • systemically important NBFCs registered with RBI having a net worth of more than Rs. 500 Crore.
Record Date	As defined in Section XVI “ <i>Summary Term-Sheet</i> ” of the Placement Memorandum.
REF	Recovery Expense Fund.
Redemption Amount	As defined in Section XVI “ <i>Summary Term-Sheet</i> ” of the Placement Memorandum.
Redemption Date	As defined in Section XVI “ <i>Summary Term-Sheet</i> ” of the Placement Memorandum.
Registrar of Companies	Registrar of Companies, Maharashtra.
Register of Debenture Holders	The register maintained containing the name of Debenture Holders entitled to receive the Interest or Redemption Amount in respect of the Debentures on the Record Date and whose name appears in the list of Debenture Holders appearing in the record of Beneficial Owners maintained by the Depository as the Debentures are issued in demat form only and if any Debentures are subsequently rematerialized, the register maintained by the Issuer of the



	names of Debenture Holders entitled to receive the Interest or Redemption Amounts on the Record Date, maintained at the registered office of the Issuer under the Companies Act.
Registrar	Registrar to the Issue, in this case being Link Intime India Private Limited
Rs.	Indian National Rupee.
RTGS	Real Time Gross Settlement.
Total Issue Size	Base Issue Size and Green Shoe Option aggregating to Rs. 1650,00,00,000 (Rupees One Thousand Six Hundred Fifty Crore).

GENERAL TERMS

ATF	Aviation Turbine Fuel
BPCL	Bharat Petroleum Corporation Limited
Caltex India	Caltex Oil Refining (India) Ltd.
CCI	Competition Commission of India
CNG	Compressed Natural Gas
Competition Act	Competition Act, 2002, as amended
Controlled Products	Shall have the meaning as set out in Section VII “Risk Factors”
ESSO	Esso Standard Eastern
EU	European Union
E&P	Exploration and production
FO	Furnace Oil
GAAR	General Anti-Avoidance Rules
Group	Issuer and its subsidiaries from time to time
GRM	Gross Refining Margin
GSPL	Gujarat State Petronet Limited
GST	Goods and Service Tax
HMEL	HPCL Mittal Energy Limited
HSD	High Speed Diesel
I&C	Industrial and Consumer
IOCL	Indian Oil Corporation Limited
LNG	Liquefied Natural Gas
LOBS	Lube Oil Base Stock
LPG	Liquefied Petroleum Gas
MMT	Million Metric Tonnes
MMTPA	Million Metric Tonnes per annum
MOP&NG	Ministry of Petroleum and Natural Gas
MR	Mumbai Refinery
MRPL	Mangalore Refineries and Petrochemicals Limited
MS	Motor Spirit
NIOC	National Iranian Oil Company
OMCs	Oil Marketing Companies
OFAC	U.S. Department of Treasury’s Office of Foreign Assets
OIDB	Oil Industry Development Board
ONGC	Oil and Natural Gas Corporation Limited
PI	Participating interests
PPCL	Prize Petroleum Company Limited
Quarter End	Each quarter end of a Financial Year, being 30 June, 30 September, 31 December and 31 March of each year
RBI	Reserve Bank of India
RoC	Registrar of Companies
SBU	Strategic Business Unit
SOCONY	Standard Oil Company of New York
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended



SEBI Operational Circular	SEBI circular on “Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper”, dated August 10, 2021
SKO	Superior Kerosene Oil
TDS	Tax deducted at source
TMT	Thousand Metric Tonnes
TMTPA	Thousand Metric Tonnes per annum
VR	Visakh Refinery

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SECTION II ISSUER UNDERTAKINGS

Eligible Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, Eligible Investors must rely on their own examination of the Issuer and the Issue including the risks involved. The Debentures have not been recommended or approved by any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of this Placement Memorandum. Specific attention of Eligible Investors is invited to Section VII (*Risk Factors*) of the Placement Memorandum for details in respect of risks relating to the Issue of Debentures.

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Placement Memorandum contains all information with regard to the Issuer and the Issue, that the information contained in the Placement Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Issuer has no side letter with any Debenture Holders. Any covenants later added shall be disclosed on the websites of the Stock Exchanges where the Debentures are listed.

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SECTION III CONFIDENTIALITY AND DISCLAIMERS

CONFIDENTIALITY

The person who is in receipt of this Placement Memorandum shall maintain utmost confidentiality regarding the contents of this Placement Memorandum and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents of this Placement Memorandum or deliver this Placement Memorandum or any other information supplied in connection with this Placement Memorandum or the Debentures to any other person, whether in electronic form or otherwise, without the consent of the Issuer. Any distribution or reproduction of this Placement Memorandum in whole or in part or any public announcement or any announcement to third parties regarding the contents of this Placement Memorandum or any other information supplied in connection with this Placement Memorandum or the Debentures is unauthorized. Failure to comply with this instruction may result in a violation of the Companies Act, the NCS Regulations or other applicable laws of India and other jurisdictions. This Placement Memorandum has been prepared by the Issuer for providing information in connection with the proposed Issue described in this Placement Memorandum.

DISCLAIMER OF THE ISSUER

The Placement Memorandum is neither a prospectus nor a statement in lieu of prospectus and is prepared in accordance with Companies Act, and Rule 14 of the PAS Rules, SEBI Guidelines including NCS Regulations. This Placement Memorandum does not and shall not be deemed to constitute an offer or an invitation to the public generally to subscribe for or otherwise acquire the Debentures to be issued by HPCL. This Issue is made strictly on private placement basis. The Placement Memorandum has been prepared to give material information regarding the Issuer to parties proposing to invest in this Issue of Debentures and it does not purport to contain all the information that any such party may require after the date hereof. The Issuer accepts no responsibility for statements made other than in the Placement Memorandum or any other material expressly stated to be issued by or at the instance of the Issuer in connection with the issue of the Debentures and an Eligible Investor placing reliance on any other source of information would be doing so at their or its own risk. The Issuer does not undertake to update the Placement Memorandum to reflect subsequent events. The Issuer accepts no responsibility for statements made in any advertisement or other material, and anyone placing reliance on any other source of information does so at his own risk and responsibility. Prospective Eligible Investors must make their own independent evaluation and investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer before making any investment and should be experienced in investing in debt markets and able to bear the economic risk of investing in Debentures. It is the responsibility of prospective Eligible Investors to have obtained all consents, approvals or authorizations required by them to make an offer to subscribe for, and purchase the Debentures. Eligible Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should analyse such investment and the suitability of such investment to such Eligible Investor's particular circumstances. The person who is in receipt of the Placement Memorandum shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding its contents, without the prior written consent of the Issuer.

DISCLAIMER OF THE INTERMEDIARIES

None of the intermediaries, including the legal counsel, or their agents or advisors associated with this Issue undertakes to review the financial condition or affairs of the Issuer or the factors affecting the Debentures or have any responsibility to advise any Eligible Investor. The intermediaries and their agents or advisors associated with the Placement Memorandum have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any such intermediary, agent or advisor as to the accuracy or completeness of the information contained in the Placement Memorandum or any other information provided by the Issuer. Accordingly, all such intermediaries, agents or advisors associated with this Issue shall have no liability in relation to the information contained in the Placement Memorandum or any other information provided by the Issuer in connection with this Issue.

DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA

The Debentures have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of the Placement Memorandum. It is to be distinctly understood that the Placement Memorandum should



not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in the Placement Memorandum. However, the SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in the Placement Memorandum.

DISCLAIMER OF THE ARRANGERS

It is advised that the Issuer has exercised self-due-diligence to ensure complete compliance of prescribed disclosure norms in the Placement Memorandum. The role of the Arrangers to the Issue in the assignment is confined to marketing and placement of the Debentures on the basis of the Placement Memorandum as prepared by the Issuer. The Arrangers to the Issue have neither scrutinized or vetted nor have they done any due-diligence for verification of the contents of the Placement Memorandum. The Arrangers to the Issue shall use the Placement Memorandum for the purpose of soliciting subscription from qualified institutional investors in the Debentures to be issued by the Issuer on a private placement basis. It is to be distinctly understood that the use of the Placement Memorandum by the Arrangers to the Issue shall neither in any way be deemed or construed that the Placement Memorandum has been prepared, cleared, approved or vetted by the Arrangers to the Issue, nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Placement Memorandum; nor do they take responsibility for the financial or other soundness of the Issuer, the Promoter, its management or any scheme or project of the Issuer. The Arrangers to the Issue or any of its directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in the Placement Memorandum.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of the Placement Memorandum has been submitted to the Exchanges for hosting the same on their websites. It is to be distinctly understood that such submission of the Placement Memorandum with the Exchanges or the in-principle approval by the BSE and NSE or hosting the same on their websites should not in any way be deemed or construed that the Placement Memorandum has been cleared or approved by the Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Placement Memorandum; nor does it warrant that the Issuer's Debentures will be listed or continue to be listed on the Exchanges; nor do the Exchanges take responsibility for the financial or other soundness of the Issuer, the Promoter, its management or any scheme or project of the Issuer. Every Eligible Investor who desires to apply for or otherwise acquire any Debentures of the Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchanges, whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription or acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER OF CRISIL

Ratings from CRISIL are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities / instruments or to make any investment decisions. Any opinions expressed are in good faith, are subject to change without notice, and are only current as of the stated date of their issue. CRISIL assumes no obligation to update its opinions following publication in any form or format although CRISIL may disseminate its opinions and analysis. Rating by CRISIL is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment or other business decisions. The recipients of the rating should rely on their own judgment and take their own professional advice before acting on the rating in any way. CRISIL or its associates may have other commercial transactions with the Issuer.

DISCLAIMER OF ICRA

ICRA ratings should not be treated as recommendation to buy, sell or hold the Debentures. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the Issuer to timely service debts and obligations, with reference to the Debentures rated. Please visit ICRA's website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained in the rating rationale has been obtained



by ICRA from sources believed by it to be accurate and reliable, including the Issuer. ICRA however has not conducted any audit of the Issuer or of the information provided by it. While reasonable care has been taken to ensure that the information in the rating rationale is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the Issuer. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of the rating rationale or its contents.

CAUTIONARY NOTE

By investing in the Debentures, the Eligible Investor(s) acknowledge that they: (i) are knowledgeable and experienced in financial and business matters, have expertise in assessing credit, market and all other relevant risk and are capable of evaluating, and have evaluated, independently the merits, risks and suitability of purchasing the Debentures, (ii) have not requested the Issuer to provide it with any further material or other information, (iii) have not relied on any investigation that any person acting on their behalf may have conducted with respect to the Debentures, (iv) have made their own investment decision regarding the Debentures based on their own knowledge (and information they have or which is publicly available) with respect to the Debentures or the Issuer, (v) have had access to such information as deemed necessary or appropriate in connection with purchase of the Debentures, (vi) are not relying upon, and have not relied upon, any statement, representation or warranty made by any person, including, without limitation, the Issuer, and (vii) understand that, by purchase or holding of the Debentures, they are assuming and are capable of bearing the risk of loss that may occur with respect to the Debentures, including the possibility that they may lose all or a substantial portion of their investment in the Debentures, and they will not look to the Debenture Trustee or other intermediaries appointed for the Debentures for all or part of any such loss or losses that they may incur.

FORCE MAJEURE

The Issuer reserves the right to withdraw the bid prior to the Issue Closing Date in accordance with the SEBI Operational Guidelines, in the event of any unforeseen development adversely affecting the economic and regulatory environment or otherwise.

DISCLAIMER OF DEBENTURE TRUSTEE

The Debenture Trustee, "IDBI Trusteeship Services Limited", does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid / invested by Eligible Investors for the Debentures. Each prospective Eligible Investor should make its own independent assessment of the merit of the investment in the Debentures and the Issuer and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in such instruments.

ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with NSDL and CDSL for the issue of the Debentures in dematerialised form. Eligible Investors will have to hold the Debentures in dematerialised form in accordance with the provisions of Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Eligible Investor with its depository participant. The Issuer will make the Allotment to the Eligible Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

DISCLAIMER IN RESPECT OF JURISDICTION

The Placement Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction and to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any disputes arising out of this Issue will be subject to the jurisdiction of the courts in Mumbai, India.

ELIGIBLE INVESTOR ACKNOWLEDGEMENT

Each person receiving the Placement Memorandum acknowledges that:



- (i) Such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein and such person has not relied on any intermediary that may be associated with issuance of Debentures in connection with its investigation of the accuracy of such information or its investment decision. Each such person in possession of the Placement Memorandum should carefully read and retain the Placement Memorandum. However, each such person in possession of the Placement Memorandum is not to construe the contents of the Placement Memorandum as investment, legal, accounting, regulatory or tax advice, and such persons in possession of the Placement Memorandum should consult their own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Debentures. The Issuer does not undertake to update the Placement Memorandum to reflect subsequent events after the date of the Placement Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.
- (ii) Neither the delivery of the Placement Memorandum nor any issue of Debentures made thereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof; and
- (iii) The Placement Memorandum does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction other than in India in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of the Placement Memorandum in any jurisdiction where such action is required. The distribution of the Placement Memorandum and the offer, sale, transfer, pledge or disposal of the Debentures may be restricted by law in certain jurisdictions. Persons who have possession of the Placement Memorandum are required to inform themselves about any such restrictions. No action is being taken to permit an offering of the Debentures or the distribution of the Placement Memorandum in any jurisdiction other than India.

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SECTION IV FORWARD LOOKING STATEMENTS

Certain statements in this Placement Memorandum are not historical facts but are “forward-looking” in nature. Forward-looking statements appear throughout this Placement Memorandum. Forward-looking statements include statements concerning the Issuer’s plans, financial performance etc., if any, the Issuer’s competitive strengths and weaknesses, and the trends the Issuer anticipates in the industry, along with the political and legal environment, and geographical locations, in which the Issuer operates, and other information that is not historical information.

Words such as “aims”, “anticipate”, “believe”, “could”, “continue”, “estimate”, “expect”, “future”, “goal”, “intend”, “is likely to”, “may”, “plan”, “predict”, “project”, “seek”, “should”, “targets”, “would” and similar expressions, or variations of such expressions, are intended to identify and may be deemed to be forward looking statements but are not the exclusive means of identifying such statements.

By their nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and assumptions about the Issuer, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved.

Eligible Investors should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited, to:

- (i) compliance with laws and regulations, and any further changes in laws and regulations applicable to India, especially in relation to the petroleum sector;
- (ii) availability of adequate debt and equity financing at reasonable terms;
- (iii) our ability to effectively manage financial expenses and fluctuations in interest rates;
- (iv) our ability to successfully implement our business strategy;
- (v) our ability to manage operating expenses;
- (vi) performance of the Indian debt and equity markets; and
- (vii) general, political, economic, social, business conditions in Indian and other global markets.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. Although the Issuer believes that the expectations reflected in such forward-looking statements are reasonable at this time, the Issuer cannot assure Eligible Investors that such expectations will prove to be correct. Given these uncertainties, Eligible Investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of the Issuer’s underlying assumptions prove to be incorrect, the Issuer’s actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward looking statements attributable to the Issuer are expressly qualified in their entirety by reference to these cautionary statements. As a result, actual future gains or losses could materially differ from those that have been estimated. The Issuer undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date hereof.

Forward looking statements speak only as of the date of this Placement Memorandum. None of the Issuer, its Directors, its officers or any of their respective affiliates or associates has any obligation to update or otherwise revise any statement reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

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SECTION V GENERAL INFORMATION

5.1 ISSUE SCHEDULE

Particulars	Date
Issue Opening Date	March 1, 2023
Issue Closing Date	March 1, 2023
Pay-in Date	March 2, 2023
Deemed Date of Allotment	March 2, 2023


5.2 ISSUER

Particulars	Details
Name of the Issuer	Hindustan Petroleum Corporation Limited
Registered and Corporate Office	Petroleum House, 17, Jamshedji Tata Road, Mumbai - 400 020
Telephone Number	(+91 22) 2286 3900
Fax Number	(+91 22) 2288 3224
Website	www.hindustanpetroleum.com
E-Mail	corphqo@hpcl.co.in
CIN No.	L23201MH1952GOI008858
Date of Incorporation	July 5, 1952
Company Secretary and Compliance Officer of the Issuer	Mr. V. Murali, Company Secretary Address: Petroleum House, 17, Jamshedji Tata Road, Mumbai - 400 020 E-Mail: corphqo@hpcl.co.in Telephone number: (+91 22) 2286 3900
Nodal Officer for the Issue	Ms. Sujata Londhe, Executive Director - Treasury Address: Petroleum House, 17, Jamshedji Tata Road, Mumbai - 400 020 E-Mail: corphqo@hpcl.co.in Telephone number: (+91 22) 2286 3900
Chief Financial Officer of the Issuer	Mr. Rajneesh Narang, CFO Address: Petroleum House, 17, Jamshedji Tata Road, Mumbai - 400 020 E-Mail: corphqo@hpcl.co.in Telephone number: (+91 22) 2286 3900

5.3 STOCK EXCHANGE

The Debentures are proposed to be listed on the debt market segment of the BSE and NSE. The BSE and NSE have provided an in-principle approval for listing the Debentures pursuant to the letters dated February 23, 2023 and February 22, 2023, respectively. The Issuer has created the REF with BSE. A copy of the in-principle approval from the BSE and NSE is set out in **Annexure X** of this Placement Memorandum.

5.4 DEBENTURE TRUSTEE

 IDBI Trusteeship Services Ltd	
Name	IDBI Trusteeship Services Limited
Registered Office	Universal Insurance Building, Ground Floor, Sir P M Road, Mumbai - 400001
Website	https://idbitrustee.com/
Email address	itslcompliance@idbitrustee.com , ; itsl@idbitrustee.com
Telephone Number	(+91 22) 4080 7000
Contact Person	Mr. Gaurav Jeswani

A copy of the consent letter from IDBI Trusteeship Services Limited is enclosed as **Annexure II** to the Placement Memorandum. IDBI Trusteeship Services Limited has given its consent to the Issuer for its appointment under the NCS Regulations. A copy of the due diligence letter and the fee letter from IDBI Trusteeship Services Limited is also enclosed as **Annexure II** to the Placement Memorandum.



5.5 REGISTRAR

Name	Link Intime India Private Limited
Registered Office	247 Park, C-101, 1 st Floor, LBS Marg, Vikhroli (W), Mumbai - 400083
Website	https://web.linkintime.co.in
Email address	debtca@linkintime.co.in
Telephone Number	(+91 22) 4918 6000
Contact Person	Mr. Amit Dabhade

5.6 RATING AGENCIES

Name	CRISIL LIMITED
Address	CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400 076
Website	www.crisil.com
Email address	ratingletterdesk@crisil.com
Telephone Number	(+91 22) 3342 3000
Contact Person	Mr. Ankit Kedia

CRISIL vide its letter dated February 16, 2023 has assigned “CRISIL AAA/Stable” (pronounced “CRISIL Triple A”) rating to the Debentures. This rating indicates highest safety with regard to timely payment of interest and principal on the instrument. A copy of the rating letter, rating rationale and press release from CRISIL is enclosed in **Annexure IV** of this Placement Memorandum.

Name	ICRA LIMITED
Address	B-710, Statesman House, 148, Barakhamba Road, New Delhi - 110001
Website	www.icra.in
Email address	info@icraindia.com
Telephone Number	(+91 22) 6169 3300
Contact Person	Mr. Kushal Shah

ICRA vide its letter dated February 16, 2023 has assigned “ICRA AAA/Stable” (pronounced as “ICRA Triple A”) rating to the Debentures. This is the highest credit quality rating assigned by ICRA and indicates the lowest credit risk carried by the instrument. A copy of the rating letter, rating rationale and press release from ICRA is enclosed in **Annexure IV** of this Placement Memorandum.

The above ratings are not a recommendation to buy, sell or hold securities and Eligible Investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning Credit Rating Agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The Credit Rating Agencies have the right to suspend, withdraw the ratings at any time, on the basis of new information.

5.7 STATUTORY AUDITORS OF THE ISSUER

Name	Address	Auditor Since
M/s. CNK & Associates LLP	501/502, Narain Chambers, M.G Road, Vile Parle (E), Mumbai – 400 057	F.Y. 2021-22
M/s. J Singh & Associates	505,506,507, HubTown Viva, Off Western Express Highway, Near Shankarwadi, Between Andheri & Jogeshwari East, Mumbai, Maharashtra 400060	F.Y. 2022-23

Being a government company, the statutory auditors of the Issuer are appointed by the CAG. The annual accounts of the Issuer are reviewed every year by the CAG and their comments are published in the Issuer’s annual report.



5.8 DETAILS OF CHANGE IN AUDITORS OF THE ISSUER SINCE LAST 3 (THREE) YEARS

Name	Address	Date of appointment/ Resignation	Auditor of the Issuer since (in case of resignation)	Remarks
Financial Year 2022-2023				
M/s C N K & Associates LLP	Mistry Bhawan, 3rd Floor, D V Road, Churchgate, Mumbai - 400 020	29.08.2022	-	The firm was initially appointed as the Auditor for F.Y. 2021-22 and had been reappointed for F.Y. 2022-23
M/s. J Singh & Associates	505,506,507, HubTown Viva, Off Western Express Highway, Near Shankarwadi, Between Andheri &, Jogeshwari East, Mumbai, Maharashtra 400060	29.08.2022	-	
R Devendra Kumar and Associates	205, Blue Rose Industrial Estate, Near Petrol Pump, Western Express Highway, Borivali (E), Mumbai - 400 066	29.08.2022	30.08.2018	The firm was initially appointed as the Auditor for F.Y. 2018-19.
Financial Year 2021-2022				
M.P. Chitale and Company	Hamam House, 1 st Floor, Ambalal Doshi Marg, Fort, Mumbai - 400 001	18.08.2021	21.08.2017	The firm was initially appointed as the Auditor for F.Y. 2017-18.
M/s C N K & Associates LLP	Mistry Bhawan, 3rd Floor, D V Road, Churchgate, Mumbai - 400 020	19.08.2021	-	
R Devendra Kumar and Associates	205, Blue Rose Industrial Estate, Near Petrol Pump, Western Express Highway, Borivali (E), Mumbai - 400 066	19.08.2021	-	The firm was initially appointed as the Auditor for F.Y. 2018-19 and had been reappointed for F.Y. 2021-22.
Financial Year 2020-2021				
M.P. Chitale and Company	Hamam House, 1 st Floor, Ambalal Doshi Marg, Fort, Mumbai - 400 001	10.08.2020	-	The firm was initially appointed as the Auditor for F.Y. 2017-18 and had been reappointed for F.Y. 2020-21.
R Devendra Kumar and Associates	205, Blue Rose Industrial Estate, Near Petrol Pump, Western Express Highway, Borivali (E), Mumbai - 400 066	10.08.2020	-	The firm was initially appointed as the Auditor for F.Y. 2018-19 and had been reappointed for F.Y. 2020-21.

5.9 DETAILS OF CORPORATE AUTHORIZATIONS

5.10.1 The Board resolution dated December 15, 2022, is attached as **Annexure V** to the Placement Memorandum.

5.10.2 The shareholders resolution dated August 30, 2022, is attached as **Annexure VI** to the Placement Memorandum.

5.10 GUARANTORS

There is no guarantor for this Issue of Debentures.

5.11 ARRANGERS TO THE ISSUE

Name	A. K. CAPITAL SERVICES LIMITED
Address	910, 9th Floor, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi - 110 001, India.
Website	www.akgroup.co.in
Email address	pankaj.agrawal@akgroup.co.in; akcapitals@gmail.com
Telephone Number	Board: +91-11-23739628 Mobile: +91 9999305903



Contact Person	Mr. Pankaj Agrawal, Director
Quantity	550
Amount (Rs Crs)	5.50

Name	CAPITALSQUARE ADVISORS PVT. LTD.
Address	208 AARPEE CENTRE, MIDC ROAD NO. 11, ANDHERI EAST, MUMBAI 400093
Website	capitalsquare.in
Email address	sunil.manocha@capitalsquare.in
Telephone Number	022- 66849914
Contact Person	SUNIL KUMAR MANBOCHA
Quantity	10
Amount (Rs Crs)	0.1

Name	DERIVUM TRADITION SECURITIES (INDIA) PRIVATE LIMITED.
Address	Eucharistic Congress III, 10th Floor, 5th Convent Rd, Colaba, Mumbai-400 039. Maharashtra. India
Website	www.derivumcap.com
Email address	dcm@derivumcap.com
Telephone Number	Phone: (+91 22) 66064600
Contact Person	Ms. Ritu Raman
Quantity	1
Amount (Rs Crs)	0.01

Name	GENEV CAPITAL PRIVATE LIMITED
Address	Eucharistic Congress III, 9th Floor, 5th Convent Rd, Colaba, Mumbai-400 039. Maharashtra. India.
Website	www.genevcap.com
Email address	dcm@genevcap.com
Telephone Number	Phone: (+91 22) 62704604
Contact Person	Ms. Yashika Batra
Quantity	9
Amount (Rs Crs)	0.09

Name	HDFC BANK LIMITED
Address	Registered Address:- HDFC Bank House, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 Corporate Address:- Bank House, Shiv Sagar Estate, Dr Annie Besant Road, Worli, Mumbai 400018
Website	www.hdfcbank.com
Email address	niranjan.kawatkar@hdfcbank.com , gaurav.shah2@hdfcbank.com , debtinvestors.grievancedressal@hdfcbank.com
Telephone Number	+91-22-66521006
Contact Person	Niranjan Kawatkar, Gaurav Shah
Quantity	6000
Amount (Rs Crs)	60

Name	ICICI BANK
Address	ICICI BANK TOWERS 2ND FLOOR DEALING ROOM ,BANDRA KURLA COMPLEX BANDRA EAST , ,MUMBAI 400051
Website	www.icicibank.com
Email address	merchantbanking@icicibank.com gmgfixedincome@icicibank.com



Telephone Number	022 4008 8980
Contact Person	Sanket Jain
Quantity	3000
Amount (Rs Crs)	30

Name	ICICI SECURITIES PRIMARY DEALERSHIP LIMITED
Address	501B FIRST INTERNATIONAL FINANCIAL CENTRE ,PLOT NO C 54 AND 55 G BLOCK ,BANDRA KURLA COMPLEX, BANDRA (E) ,MUMBAI 400098
Website	https://www.icicisecuritiespd.com/
Email address	Ashutosh.garg@isecpd.com
Telephone Number	011 24369989 / +91 9810444388
Contact Person	Ashutosh Garg, Vice President
Quantity	500
Amount (Rs Crs)	5

Name	IDBI CAPITAL MARKETS AND SECURITIES LIMITED
Address	5 th and 6 th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai – 400 005
Website	https://idbicapital.com/index.asp
Email address	hiral.shah@idbicapital.com
Telephone Number	022-68361256
Contact Person	Ms. Hiral Shah
Quantity	500
Amount (Rs Crs)	5

Name	JM FINANCIAL LIMITED
Address	Sood Towers (East Tower), 6 th Floor, Barakhamba Road, New Delhi-110001
Website	www.jmfl.com
Email address	Akash.Sharma@jmfl.com ; Saurav.Gupta@jmfl.com
Telephone Number	Ph. No. 011-68135603; 011-68135607
Contact Person	Akash Sharma; Saurav Gupta
Quantity	10
Amount (Rs Crs)	0.1

Name	KOTAK MAHINDRA BANK LIMITED
Address	Kotak Mahindra Bank Ltd, Kotak Aerocity city, Asset area 9 , 3 rd Floor, IBIS Commercial Block, Hospitality District, IGI Airport, New Delhi-110037
Website	www.kotak.com
Email address	Ahmedwiquar.rahim@kotak.com
Telephone Number	011-41276001
Contact Person	AHMED WIQUAR RAHIM
Quantity	500
Amount (Rs Crs)	5

Name	PNB GILTS LIMITED
Address	5, SANSAD MARG ,4TH FLOOR ,NEW DELHI ,DELHI 110001
Website	www.pnbgilts.com
Email address	BACKOFFICE@PNBGILTS.COM , mumbai@pnbgilts.com
Telephone Number	9818408766, 022-22693317
Contact Person	MR ANSHUL ARORA, Mr Uttam Kumar Saha
Quantity	1100
Amount (Rs Crs)	11

Name	SUNRISE GILTS AND SECURITIES PVT LTD



Address	514, PINNACLE BUSINESS PARK, ,CORPORATE ROAD ,PRAHALADNAGAR ,AHMEDABAD 380015
Website	www.sunrisegilts.com
Email address	SUNRISEGILTS@GMAIL.COM , ashish@sunrisegilts.com
Telephone Number	8000393917, 079 4032 7414
Contact Person	ASHISH AGARWAL
Quantity	10
Amount (Rs Crs)	0.1



Name	TIPSONS CONSULTANCY SERVICES PVT LTD
Address	401, Sheraton House, Opposite Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad, Gujarat 380015
Website	www.tipsons.com
Email address	Dcm@tipsons.com , sandeep.bhansali@tipsons.com
Telephone Number	079-66828125, 9099933611
Contact Person	Mr. Sandeep Bhansali
Quantity	10
Amount (Rs Crs)	0.1



Name	TRUST INVESTMENT ADVISORS PRIVATE LIMITED
Address	<p>Registered Address 109/110, 1st Floor, Balarama, Bandra Kurla Complex, Bandra (East), Mumbai - 400051.</p> <p>Corporate Address 1101, Naman Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400051.</p>
Website	www.trustgroup.in
Email address	mbd.trust@trustgroup.in
Telephone Number	+91 022 4084 5000
Contact Person	Parth Doctor/Abhishek Lakhotia
Quantity	50
Amount (Rs Crs)	0.5

5.12 DECLARATION

The Issuer declares that the bank account details and permanent account number of ONGC (as Promoter) and the permanent account number of the Directors of the Issuer were submitted to the BSE and NSE.

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SECTION VI MANAGEMENT

6.1 DETAILS OF THE BOARD

As on the date of the Placement Memorandum, there are 11 (Eleven) Directors on the Board, out of which 4 (Four) are Whole-Time Directors including the Chairman and Managing Director, 2 (Two) Government Nominee Director [1 (one) being an ex-officio Director representing the Ministry of Petroleum and Natural Gas and 1 (one) being ex-officio Director representing the Oil and Natural Gas Corporation Limited], and 5 (Five) Independent Directors (which includes 1 (One) woman Director).

The details of the Board of Directors as of the date of this Placement Memorandum is set out below:

Sr. No.	Name, Designation, Occupation and Director Identification Number	Date of Joining the Board	Approximate Age (Years)	Address	Other Directorship	Whether Willful Defaulter (Yes/No)
WHOLE TIME DIRECTORS:						
1.	Shri Pushp Kumar Joshi Designation: Chairman and Managing Director Occupation: Service DIN: 05323634	08.05.2022	58 Years	Bungalow No. 19, HP Nagar East, Vasi Naka, Chembur, Mumbai – 400 074	HPCL Rajasthan Refinery Ltd Hindustan Colas Private Limited HPCL-Mittal Energy Ltd.	No
2.	Shri Rajneesh Narang Designation: Director – Finance Additional Charge of Director (HR) Occupation: Service DIN - 08188549	22.03.2022	56 Years	Bungalow No. 4, HP Nagar Housing Complex East, Chembur, Mumbai - 400074	Hindustan Colas Private Limited HPCL-Mittal Energy Ltd. HPCL Rajasthan Refinery Ltd HPCL LNG Limited HPCL-Mittal Pipelines Limited Prize Petroleum Company Ltd HPCL Middle East FZCO South Asia LPG Company Private Limited	No
3.	Shri S Bharathan Designation: Director - Refineries Occupation: Service DIN: 09561481	01.10.2022	54 Years	Bungalow No. 2, HP Nagar Housing Complex East, Chembur, Mumbai, Maharashtra, India – 400074	Mangalore Refinery and Petrochemicals Ltd. Ratnagiri Refinery & Petrochemicals Ltd. HPCL-Mittal Energy Ltd. HPCL Rajasthan Refinery Ltd HPCL Biofuels Limited Prize Petroleum Company Ltd	No
4.	Shri Amit Garg Designation: Director - Marketing Occupation: Service	27.12.2022	55 Years	BPCL Staff Colony, BKC Flat No 20, Bharat Nagar, G Block Bandra East Mumbai	-	No



	DIN: 08515246			Maharashtra-400051		
GOVERNMENT NOMINEE DIRECTORS(NON-EXECUTIVE):						
1.	Ms. Sujata Sharma Designation: Government Nominee Director Occupation: Service DIN: 07775238	27.12.2022	47 Years	Flat No 28 Type IV, Raj Bhawan Colony, Lucknow, Uttar Pradesh-226001		No
2.	Shri Pankaj Kumar Designation: Government Nominee Director Occupation: Service DIN: 09252235	22.06.2022	56 Years	Plot No 507 Ganga Apartments Block G-2 Sector D-6 Vasant Kunj, Delhi India 110070	OIL AND NATURAL GAS CORPORATION LIMITED ONGC PETRO ADDITIONS LIMITED ONGC MANGALORE PETROCHEMICALS LIMITED PAWAN HANS LIMITED	No
INDEPENDENT DIRECTORS:						
1.	Smt. Vimla Pradhan Designation: Independent Director Occupation: Professional DIN : 09398793	16.11.2021	65 Years	W/O Dilip Kumar Pradhan, Power House, Ward No. 17, Nigomtoli, Kelagagh Road, Simdega, Jharkhand - 835223	-	No
2.	Shri Bechan Lal Designation: Independent Director Occupation: Professional DIN: 09397116	16.11.2021	65 Years	S/O. Shree Pyare Lal Jaiswal, Old G9 Hyderabad Colony, BHU, Varanasi, Uttar Pradesh – 221005	-	No
3.	Shri Vivekananda Biswal Designation: Independent Director Occupation: Professional DIN: 00977767	16.11.2021	61 Years	H.No. 177, Arun Vihar, Sector-29, Noida, Gautam Buddha Nagar, Uttar Pradesh-201301	Seaside Utilities Private Limited River Side Utilities Private Limited Utility Avenue Private Limited Vimarhsh Avenue Private Limited	No
4.	Shri Ramdarshan Singh Pal	16.11.2021	59 Years	S/o Laturi Singh, Civil Line, Golabazar,	-	No



	Designation: Independent Director Occupation: Professional DIN: 09400298			Mainpuri, Uttar Pradesh- 205001		
5.	Dr. Nagaraja Bhalki Designation: Independent Director Occupation: Professional DIN: 09451587	30.12.2021	43 Years	S/O Shivasharnappa Bhalki, 1-4- 159/31/A, I B Road, Datar Nagar Raichur, Karnataka- 584101	-	No

All the Directors are Indian nationals. None of the Directors are willful defaulters as identified by the RBI and/or included in the default list of the export credit guarantee corporation.

6.2 DETAILS OF CHANGES IN DIRECTORS IN THE LAST 3 (THREE) YEARS

Name	Director Identification Number (DIN)	Designation	Appointment or Cessation or Designation Change	Date of Change	Date of Joining Board in case of Cessation	Reason
Financial Year 2019-2020						
Shri Sandeep Poundrik	01865958	Government Nominee Director (Ex-Officio)	Cessation	01.05.2019	16.10.2014	Appointment by administrative ministry i.e. MOP&NG
Shri Sunil Kumar	07905656	Government Nominee Director (Ex-Officio)	Appointment	30.05.2019		Superannuated from the services of the Issuer
Shri S. Jeyakrishnan	07234397	Director – Marketing (Whole Time Director)	Cessation	01.07.2019	01.11.2016	Superannuated from the services of the Issuer
Shri G. Rajendran Pillai	08510332	Independent Director	Appointment	15.07.2019		Appointment by GOI as Independent Director
Shri R. Kesavan	08202118	Director – Finance (Whole Time Director)	Appointment	05.09.2019		Appointment by Public Enterprises Selection Board
Shri Rakesh Misri	07340288	Director – Marketing (Whole Time Director)	Appointment	17.10.2019		Appointment by Public Enterprises Selection Board
Shri Ram Niwas Jain	00671720	Independent Director	Cessation	20.11.2019	20.11.2018	Ceased to be Director of the Issuer on completion of tenure of one year after re- appointment.
Smt. Asifa Khan	07730681	Independent Director	Cessation	13.02.2020	13.02.2017	Ceased to be Director of the Issuer on completion of tenure of three years.
Shri G V Krishna	01640784	Independent Director	Cessation	13.02.2020	13.02.2017	Ceased to be Director of the Issuer on completion of tenure of three years.
Dr. Trilok Nath Singh	07767209	Independent Director	Cessation	20.03.2020	20.03.2017	Ceased to be Director of the Issuer on completion of tenure of three years.
Financial Year 2020-2021						
Shri Amar Sinha	07915597	Independent Director	Cessation	21.09.2020	21.09.2017	Ceased to be Director of the Issuer on completion of tenure of three years.
Shri Siraj Hussain	05346215	Independent Director	Cessation	21.09.2020	21.09.2017	Ceased to be Director of the Issuer on completion of tenure of three years.
Financial Year 2021-22						



Name	Director Identification Number (DIN)	Designation	Appointment or Cessation or Designation Change	Date of Change	Date of Joining Board in case of Cessation	Reason
Shri Subhash Kumar	07905656	Government Nominee Director	Cessation	20.05.2021	22.05.2018	Ceased to be Director of the Issuer on resignation.
Shri R Kesavan	08202118	Director-Finance	Cessation	05.09.2019	01.07.2021	Superannuated from the services of HPCL.
Smt. Vimla Pradhan	09398793	Independent Director	Appointment	16.11.2021	-	Appointed as Independent director by GOI
Shri Vivekananda Biswal	00977767	Independent Director	Appointment	16.11.2021	-	Appointed as Independent director by GOI
Shri Bechan Lal	09397116	Independent Director	Appointment	16.11.2021	-	Appointed as Independent director by GOI
Shri Ramdarshan Singh Pal	09400298	Independent Director	Appointment	16.11.2021	-	Appointed as Independent director by GOI
Dr. Nagaraja Bhalki	09451587	Independent Director	Appointment	30.12.2021	-	Appointed as Independent director by GOI
Dr. Alka Mittal	07272207	Government Nominee Director, Part-Time, Representative of ONGC	Cessation	17.06.2021	05.01.2022	Ceased to be Director of the Issuer on resignation
Shri Rajneesh Narang	08188549	Director-Finance	Appointment	22.03.2022		Appointed as Director Finance (Whole Time Director) by GOI
Financial Year 2022-23 (until date)						
Shri Rakesh Misri	07340288	Director – Marketing	Cessation	01.04.2022	17.10.2019	Superannuated from the services of HPCL
Shri Mukesh Kumar Surana	07464675	Chairman and Managing Director	Cessation	01.05.2022	01.04.2016	Superannuated from the services of HPCL
Shri Pankaj Kumar	09252235	Government Nominee Director	Appointment	22.06.2022		Appointed as Nominee Director by GOI
Shri G Rajendran Pillai	08510332	Independent Director	Cessation	15.07.2022	15.07.2019	Ceased to be Director of the Issuer on completion of tenure of three years.
Shri Vinod S Shenoy	07632981	Director – Refineries	Cessation	01.10.2022	01.11.2016	Superannuated from the services of HPCL
Shri S. Bharathan	09561481	Director – Refineries	Appointment	01.10.2022		Appointed as Director Refineries (Whole Time Director) by GOI
Shri Amit Garg	08515246	Director – Marketing	Appointment	27.12.2022		Appointed as Director Marketing (Whole Time Director) by GOI
Ms. Sujata Sharma	07775238	Government Nominee Director	Appointment	27.12.2022		Appointed by GOI as Government Director
Shri Sunil Kumar	08467559	Part Time Government Nominee Director (Ex-Officio)	Cessation	27.12.2022	30.05.2019	Appointment of new Government Nominee Director in place of him by MOP&NG.

6.3 REMUNERATION OF DIRECTORS (DURING THE LAST THREE FINANCIAL YEARS)

1.1.1 Financial Year 2022-23 9M (01st April 2022 to 31st December 2022)

(i) Details of remuneration paid to Directors during the 9M of Financial Year 2022-23 :

(in Rs. Lakh)

Name of Director	Salary and Allowances	Contribution to Provident Fund and Other Funds	Other Benefits and Perquisites	Total
Shri Mukesh Kumar Surana*	103.71	0.81	9.12	113.64
Shri Pushp Kumar Joshi	53.14	8.42	7.96	69.52
Shri Vinod S. Shenoy *	119.07	4.82	1.19	125.08
Shri Rajneesh Narang	46.31	7.51	6.91	60.73
Shri Bharathan S *	11.36	2.55	1.02	14.93
Shri Amit Garg *	0.77	0.13	0	0.90

* Appointed / ceased to be directors during the Financial Year.

(i) The Issuer has not introduced any stock options scheme.



- (ii) Details of sitting fees paid to independent Directors during April to December 2022 of Financial Year 2022-23:

(in Rs. Lakh)

Name of Director	Amount
Shri G Rajendran Pillai	4.60
Smt. Vimla Pradhan	5.70
Shri Bechan Lal	6.90
Shri Vivekananda Biswal	7.20
Shri Ramdarshan Singh Pal	6.30
Dr. Nagaraja Bhalki	5.70

6.3.1 Financial Year 2021-22

- (iii) Details of remuneration paid to Directors during the Financial Year 2021-22 :

(in Rs. Lakh)

Name of Director	Salary and Allowances	Contribution to Provident Fund and Other Funds	Other Benefits and Perquisites	Total
Shri Mukesh Kumar Surana	76.41	9.31	13.38	99.10
Shri Pushp Kumar Joshi	75.09	9.56	13.37	98.02
Shri Vinod S. Shenoy	79.33	8.60	1.57	89.50
Shri Rakesh Misri*	140.86	9.16	7.73	157.75
Shri R Kesavan*	75.99	2.09	8.13	86.21
Shri Rajneesh Narang*	47.15	3.23	8.16	58.54

* Appointed / ceased to be directors during the Financial Year.

- (iv) The Issuer has not introduced any stock options scheme.

- (v) Details of sitting fees paid to independent Directors during the Financial Year 2021-22

(in Rs. Lakh)

Name of Director	Amount
Shri G Rajendran Pillai	11.10
Smt. Vimla Pradhan	2.30
Shri Bechan Lal	2.90
Shri Vivekananda Biswal	3.20
Shri Ramdarshan Singh Pal	2.30
Dr. Nagaraja Bhalki	2.20

6.3.3 Financial Year 2020-21

- (i) Details of remuneration paid to Directors during the Financial Year 2020-21

(in Rs. Lakh)

Name of Director	Salary and Allowances	Contribution to Provident Fund and Other Funds	Other Benefits and Perquisites	Total
Shri Mukesh Kumar Surana	46.70	8.69	8.24	63.63
Shri Pushp Kumar Joshi	49.70	9.16	9.41	68.27
Shri Vinod S. Shenoy	47.22	6.53	0.88	54.63
Shri R Kesavan	47.59	11.35	8.66	67.60
Shri Rakesh Misri	53.65	6.17	1.90	61.72

- (ii) The Issuer had not introduced any stock options scheme.

- (iii) Details of sitting fees paid to independent Directors during the Financial Year 2020-21

(in Rs. Lakh)

Name of Director	Amount
Shri Amar Sinha	5.40
Shri Siraj Hussain	5.10
Shri. G Rajendran Pillai	6.50



6.3.4 Financial Year 2019-20

(i) Details of remuneration paid to Directors during the Financial Year 2019-20

(in Rs. Lakh)

Name of Director	Salary and Allowances	Contribution to Provident Fund and Other Funds	Other Benefits and Perquisites	Total
Shri Mukesh Kumar Surana	65.57	9.11	9.87	84.55
Shri Pushp Kumar Joshi	55.68	8.72	9.22	73.62
Shri Vinod S. Shenoy	61.03	6.48	1.34	68.85
Shri R Kesavan*	30.60	4.11	7.44	42.15
Shri Rakesh Misri*	35.01	2.58	0.40	37.99
Shri S Jeyakrishnan*	71.70	2.27	10.22	84.19

* Appointed / ceased to be Directors during the Financial Year

(ii) The Issuer had not introduced any stock options scheme.

(iii) Details of sitting fees paid to independent directors during the Financial Year 2019-20

(in Rs. Lakh)

Name of Director	Amount
Shri Ram Niwas Jain	7.40
Smt. Asifa Khan	6.00
Shri G.V. Krishna	8.80
Dr. Trilok Nath Singh	8.50
Shri Amar Sinha	9.70
Shri Siraj Hussain	6.90
Shri. G Rajendran Pillai	3.10

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SECTION VII RISK FACTORS

The management of the Issuer believe that the following factors may affect the Issuer's ability to fulfill its obligations under the Debentures. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. These risks may include, among others, business aspects, equity market, debenture market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Prospective Investors should carefully consider all the information in the Placement Memorandum, including the risks and uncertainties described below, before making an investment in the Debentures. To obtain a complete understanding, prospective Investors should read this section in conjunction with the remaining sections of the Placement Memorandum, as well as the other financial and statistical information contained in the Placement Memorandum. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, the Issuer's business, results of operations and financial condition could suffer, the price of the Debentures could decline, and the Investor may lose all or part of their investment. More than one risk factor may have simultaneous effect with regard to the Debentures such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Debentures. The inability of the Issuer to pay Interest, Redemption Amounts or other amounts on or in connection with the Debentures may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to them or which they may not currently be able to anticipate. You must rely on your own examination of the Issuer and this Issue, including the risks and uncertainties involved. The risk factors set out below are arranged in a descending order of materiality. The Investor should carefully consider all the information in the Placement Memorandum, including the risks and uncertainties described below before making an investment in the Debentures. The risks and uncertainties described in this section are not the only risks that the Issuer currently faces. Additional risks and uncertainties not known to the Issuer or that the Issuer currently believes to be immaterial may also have an adverse effect on its business, prospects, results of operations and financial condition.

RISKS RELATING TO THE ISSUER'S BUSINESS

Cyclical downturns in the refining industry may adversely affect the Issuer's margins and the Issuer's operating results.

A significant portion of the Issuer's revenue is attributable to sales of petroleum products in India, the prices of which are affected by worldwide prices of feedstock and end products and, in some cases, regulations of the Government of India. Historically, the prices of feedstock and end products have been cyclical and sensitive to relative changes in supply and demand, the availability of feedstock and general economic conditions. From time to time, the markets for the Issuer's petroleum products have experienced periods of increased imports or capacity additions, which have resulted in oversupply, and the Issuer has therefore been forced to look to the export of products like naphtha and fuel oil. Exports typically result in lower margins as export prices are lower than domestic prices. This is due to domestic prices having historically been linked to import parity prices.

Any downturn resulting from the existing or future excess industry capacity or otherwise would have a material adverse effect on the Issuer's business, financial condition and results of operations. These conditions may be sustained or further aggravated by anticipated or unanticipated capacity additions or other events

The Issuer's operations are affected by the volatility of prices for, and availability of, crude oil.

The Issuer's operations largely depend on the supply of crude oil, one of the Issuer's principal raw materials. The Issuer typically stocks approximately 18 (Eighteen) days of crude oil in its storage tanks, pipelines and in transit. The Issuer obtains approximately 75% (Seventy Five Percent) of its crude oil requirements from abroad, including, among others, Saudi Arabia, Iraq, United Arab Emirates, Nigeria, Malaysia, Brazil, Azerbaijan, Russian Federation and USA. Events such as hostilities, strikes, natural disasters, political developments in petroleum-producing regions, domestic and foreign government regulations and other events could interrupt the supply of crude oil which could have a material adverse effect on the Issuer's business, financial condition and results of operations. In addition, these events or other events, such as changes in the regulatory environment in India or elsewhere, may adversely affect prices of crude oil generally or the price at which the Issuer is able to obtain a supply of crude oil. Under the term contracts that the Issuer has entered into for the purchase of crude oil, purchase prices are determined by prevailing market prices. A significant increase in the price of crude oil would have an adverse effect on the Issuer's business, financial condition and results of operations if the Issuer is unable to pass on any such higher costs to its customers.



The Issuer's refineries and other infrastructure such as depots, installations and pipelines are subject to operational risks that may cause significant interruption to the Issuer's business.

The Issuer's operations are subject to certain risks generally associated with oil and petroleum businesses, and the related receipt, distribution, storage and transportation of feedstocks, products and waste. These risks are particularly significant for the Issuer, as most of the Issuer's operations are integrated and inter-dependent. As such, the occurrence of any of these hazards in one area of the Issuer's business may have a direct and adverse effect on the performance of other areas of the Issuer's business. These hazards include, but are not limited to, explosions, fires, earthquakes and other natural disasters, mechanical failures, accidents, acts of terrorism, operational problems including refinery closure for scheduled and unscheduled maintenance and repairs, transportation interruptions, chemical or oil spills, discharges of toxic or hazardous substances or gases, and other environmental risks.

These hazards can cause personal injury and loss of life, environmental damage and severe damage to or destruction of property and equipment, and may result in the limitation or interruption of the Issuer's business operations and the imposition of civil or criminal liabilities.

In addition, the Issuer's ability to continue to use the ports and related facilities in the western and eastern coastal areas of India, through which the Issuer receives crude oil, is critical to the Issuer's business. The Issuer is also dependent on its pipeline network as well as rail and road links for the transportation of its products. Any damage to, or blockage at, these facilities could interrupt the supply of crude oil and the transportation of the Issuer's petroleum products. Such damage or blockage could result from a variety of factors, including natural disasters, ship accidents and deliberate attacks on pipelines or operating problems. If one or more of such events were to occur, it could have a material adverse effect on the Issuer's business, financial condition and results of operations, including the temporary or permanent cessation of certain of the Issuer's facilities or operations.

A change in the Government of India's policy on tariffs, direct and indirect taxation and fiscal or other incentives and payment for petroleum goods could adversely affect the Issuer's business.

The Issuer's profitability is significantly affected by the difference between import tariffs currently imposed by the Government of India on crude oil, which is the Issuer's most significant raw material, and tariffs currently imposed on certain refined petroleum products. Increases in import tariffs on crude oil or decreases in import tariffs on certain refined petroleum products could have a material adverse effect on the Issuer's business, financial condition and results of operations. There can be no assurance that there will not be a significant change in policy of the Government of India which could adversely affect the Issuer's financial condition and results of operations in this way. The Issuer's profitability is also significantly dependent on the policies of the Government of India (at the central or state level) relating to various direct and indirect taxes (including sales tax and income tax), duties (including excise duties and import duties) and fiscal or other incentives. Any change in policies of the Government of India relating to such taxes or duties or incentives could adversely affect the Issuer's profitability.

Furthermore, there can be no assurance that the Government of India will not intervene with regard to the timing of payments by purchasers of certain petroleum products in the interest of public policy. In recent years, payments by a few domestic airline companies in respect of aviation turbine fuel to their suppliers, including the Issuer, were deferred. In select cases of payment deferment, the Government of India facilitated discussions between the concerned airline companies and suppliers. Any prolonged or additional significant changes in the Government of India's policy with respect to payment for any of the Issuer's products could adversely affect the Issuer's business, financial condition and results of operations.

Government of India intervention in the pricing decisions of the Issuer may adversely affect its business.

The Government of India has historically sought to control inflation and achieve other social and economic objectives through intervention in prices of the Issuer's petroleum and gas products such as MS (until June 2010), diesel (until October 2014), LPG for domestic use and kerosene sold under the public distribution system ("Controlled Products"). The Government of India has the ultimate discretion to regulate the prices at which the Issuer may sell its Controlled Products. The Government of India's intervention in the Issuer's petroleum product pricing has, from time to time, resulted in the Issuer incurring gross losses on the sale of Controlled Products. Historically, the Government of India has sought to compensate for such gross losses incurred by public sector oil marketing companies ("OMCs"), including the Issuer, through the issue of oil bonds, cash subsidies and discounts from upstream companies. Any change in the



Government of India's policy to provide these subsidies without making corresponding changes to the pricing policy of these Controlled Products will materially affect the Issuer's business, financial condition and results of operations.

Furthermore, there can be no assurance that the Government of India will not intervene with regard to the pricing of certain petroleum products in the general public interest.

The Issuer is subject to many environmental and safety regulations.

The operation of a refinery, the distribution of petroleum products and the related production of by-products and waste entail environmental risks. The Issuer is subject to extensive central, state, local and foreign laws, regulations, rules and ordinances relating to pollution, the protection of the environment and the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials. In the ordinary course of business, the Issuer is continually subject to environmental inspections and monitoring by the enforcement authorities of the Government of India.

The Issuer may incur substantial costs, including fines, damages and criminal or civil sanctions, and experience interruptions in the Issuer's operations for actual or alleged violations arising under applicable environmental laws or implementing preventive measures. In addition, the Issuer's refining and storage facilities require operating permits that are subject to renewal, modification and, in some circumstances, revocation. Violations of operating permit requirements or environmental laws can also result in restrictions to, or prohibitions on, plant operations, substantial fines and civil or criminal sanctions.

The Issuer's operations involve the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials. Changes in regulations regarding the Issuer's operations involving hazardous substances and waste materials could inhibit or interrupt the Issuer's operations and have a material adverse effect on the Issuer's business. Potentially significant expenditures could be necessary in order to comply with future environmental laws. Such capital expenditures and operating expenses relating to environmental matters will be subject to evolving regulatory requirements and will depend on the timing of the promulgation and enforcement of specific standards which impose requirements on the Issuer's operations.

The Issuer faces competition from other petroleum companies.

To the extent that the Issuer seeks to export its products to, or source raw materials (such as crude oil) from the international markets, it faces competition from petroleum companies elsewhere in the world. In addition, the continued deregulation and liberalisation of industries in India, when combined with any reductions in customs duties and import tariffs, could lead to increased competition from other international or domestic private companies in the Issuer's domestic market. In addition, the Issuer also faces competition from other OMCs in the Issuer's domestic market. This may, in turn, have a material adverse effect on the Issuer's business, financial condition and results of operations.

The Issuer faces competition due to alternative sources of energy.

The Issuer is primarily engaged in the refining and distribution of petroleum products, although it does have a growing portfolio of alternative energy sources. The Issuer faces growing competition from companies engaged in the marketing of alternative sources of energy. Increase in the sale of alternative energy sources may have an adverse effect on the sale of the Issuer's petroleum products and hence may affect the Issuer's business, financial condition and results of operations.

The Issuer may be unable to fully execute its business strategy.

The Issuer's business strategy contemplates growth through expansion and acquisition in its principal businesses such as refining and upstream and downstream integration of its business. This strategy includes green field and brown field projects including constructing and installing new technologies at its refineries, widening its pipeline and marketing infrastructure/network and acquiring new exploration and production ("E&P") projects, among others. This strategy will require substantial new financing which may not be available to the Issuer. In addition, if the Issuer's cost of capital is high, the Issuer may not be able to finance its planned projects necessary to implement its business strategy. If the Issuer cannot raise sufficient funds on terms and at a price reasonably acceptable to the Issuer, it may be unable to execute its strategy, which may have a material adverse effect on its business, financial condition and results of operations.



The Issuer's expansion plans are subject to a number of risks and uncertainties.

The Issuer's expansion plans are subject to a number of factors, including changes in laws and regulations, governmental action, delays in obtaining permits or approvals, movements of global prices of crude oil and products, accidents, natural calamities, and other factors beyond the Issuer's control. Oil and gas projects generally have long gestation periods due to the process involved in the commissioning phase. Construction contracts and other activities relating to the projects are awarded at different times during the course of the projects. In addition, the Issuer's projects are dependent on external contractors for construction, installation, delivery and commissioning, as well as for supply and testing of key plants and equipment. The Issuer may only have a limited control over the timing or quality of services, equipment or supplies provided by these contractors. The Issuer is highly dependent on some of the external contractors who supply specialized services and sophisticated and complex machinery. There can be no assurance that the performance of the external contractors will meet the Issuer's specifications or performance parameters or that they will remain financially sound. The failure of the external contractors to perform or a delay in performance could result in incremental cost and time overruns, or the termination of a project. There can be no assurance that the Issuer would be able to complete its expansion plans in the time expected, or at all, or that their gestation period will not be affected by any or all of these factors.

Further, the Issuer's ability to acquire sites for its expansion plans depends on many factors, including whether the land involved is private or state-owned, whether such land is classified in a manner that allows it to be used as planned by the Issuer and the willingness of the owners of such land to sell or lease their land, as in most situations a suitable site is owned by numerous small landowners. Acquisition of private land in India can involve many difficulties, including litigation relating to ownership, liens on the land, inaccurate title records, and lengthy negotiations with many land owners and obtaining all approvals from the Government of India. Acquisition of land owned by the Government of India may also involve providing rehabilitation and resettlement to displaced individuals. There is no assurance that the Issuer or the concerned agency will be able to obtain all the necessary approvals or clearances with respect to the Issuer's expansion plans. Any of these factors could have a material adverse effect on the Issuer's business, financial condition and results of operations.

The Issuer may be unable to attract and retain the requisite skilled personnel to successfully implement its business strategy.

The Issuer requires personnel with specialized skills to implement and operate many aspects of its business strategy. Competition for such individuals is intense due to the relatively small number of qualified people and the many industrial projects being undertaken locally, regionally and globally. The Issuer's success in building a fully capable and multifunctional workforce depends principally on its ability to continue to attract, retain and motivate sufficiently qualified personnel. Failure to successfully manage its growth and personnel needs could have a material adverse effect on its business, financial condition and results of operations.

Currency exchange rate fluctuations could have an adverse effect on the Issuer's financial results.

In the Financial Years 2020, 2021 and 2022, the Issuer generated substantially all of its total income in Rupees while incurring a significant portion of its expenses in currencies other than Rupees (comprising mainly costs-related to the purchase of crude oil from overseas sources and paid for in foreign currencies). To the extent that it is unable to match income received in Rupees with costs paid in foreign currencies or is unable to completely hedge against its currency exchange risk, exchange rate fluctuations in any such currency could have an adverse effect on the Issuer's revenues and financial results. Furthermore, hedging transactions are intended to limit the negative effect of further price decline, but it may also prevent the Issuer from realizing the benefits of price increases above the levels reflected in any hedging transactions entered into by the Issuer.

The Issuer's exploration and production activities may be subject to unforeseen risks.

The Issuer, through participating interests ("PI") in exploration blocks held by its wholly owned subsidiary, Prize Petroleum Company Limited ("PPCL"), presently has investments in oil and gas assets in Australia and India. Though compared to total size of Issuer's business, its E&P portfolio constitutes only a small portion, these operations and potential future expansions are subject to special risks which can affect the Issuer's business, financial condition and results of operations.



These risks include:

- unsettled political conditions, war, civil unrest and hostilities in some gas or petroleum producing countries;
- undeveloped legal systems;
- underdeveloped infrastructure facilities;
- economic instability in the markets in which PPCL operates;
- the impact of inflation;
- fluctuations and changes in currency exchange rates;
- governmental action such as expropriation of assets, general legislative and regulatory environment, exchange controls and changes in global trade policies; and
- increased reliance on oil and gas revenues and potential exposure to increased price volatility.

To date, the Issuer believes that instability in the political and economic environments in which it or PPCL operates has not had a material adverse effect on the Issuer's business, financial condition or results of operations. The Issuer cannot predict, however, the effect that the current conditions affecting various economies or future changes in economic or political conditions in the countries in which it or PPCL operates or will operate in the future could have on the economics of conducting E&P activities in such countries. Any of the foregoing factors may have a material adverse effect on the Issuer's or PPCL's operations and, therefore, on the Issuer's business, financial condition and results of operations.

Crude oil and natural gas reserve estimates involve some degree of uncertainty and may prove to be incorrect over time or may not accurately reflect actual growth levels, or even if accurate, technical limitations may prevent the retrieval of such reserves. In addition, the actual size of deposits may differ materially from such estimates.

The Issuer, through PPCL, is engaged in E&P activities. Crude oil and natural gas E&P activities are subject to various uncertainties, including those relating to the physical characteristics of crude oil and natural gas fields. These physical characteristics, including the proportion of reserves that can ultimately be produced, the rate of production and the costs of developing the fields, are difficult to estimate and, as a result, actual production may be materially different from current estimates of reserves.

Factors affecting the reserve estimates include, but are not limited to, the following:

- new production or drilling activities;
- assumptions regarding future performance of wells and surface facilities;
- field reviews;
- addition of new reserves from discoveries or extensions of existing fields; and
- application of improved recovery techniques; and changed economic conditions.

The reliability of reserve estimates depends on the quality and quantity of technical and economic data, the production performance of the fields, and consistency in oil and gas policies of the Government of India, as well as the governments of other countries where PPCL has operations. In addition, changes in the price of crude oil and natural gas may also materially adversely affect the estimates of PPCL's proved plus probable reserves because the reserves are evaluated based on prices and costs as of the appraisal date. The quantities of crude oil and natural gas which are ultimately recovered could be materially different from the reserve estimates, and downward revisions of such estimates could affect PPCL's and therefore the Issuer's results of operations and business plan.

The Issuer cannot give any assurance that the reserves estimates upon which PPCL has made investment decisions accurately reflect actual reserve levels or, even if accurate, that technical limitations will not prevent them from retrieving these reserves.

Hydrocarbon exploration is risky, capital intensive and may involve cost overruns that may adversely impact the Issuer's business, financial condition and results of operations.

Finding oil and gas is an uncertainty in any exploration venture. Generally, only a few of the properties that are explored are ultimately developed into hydrocarbon producing fields. There is no certainty of finding commercial hydrocarbon deposits below the surface of the earth. Commercial deposits of hydrocarbon lie deep in the bowels of the earth of which the exact location and depth below the surface is the ultimate objective of exploration work. Unfortunately, no instrument



or methodology has yet been invented that would directly point to the existence of a commercially viable deposit. Present methods used in exploration are indirect probes of which the data is subject to interpretation or “best judgement”.

In addition, the business of hydrocarbon exploration involves a high degree of risk which even a combination of experience, knowledge and careful evaluation may not be able to prevent. These risks include, but are not limited to, encountering unusual or unexpected geological formations or pressures, seismic shifts, unexpected reservoir behaviors, unexpected or different fluids or fluid properties, premature decline of a reservoir, uncontrollable flow of oil, natural gas or well fluids, equipment failures, extended interruptions due to, among other things, inclement or adverse weather conditions, environmental hazards, industrial accidents, occupational and health hazards, mechanical and technical failures, explosions, pollution, oil seepage, industrial action and shortages of manpower necessary to implement the Issuer’s development plans. These risks and hazards could also result in damage to, or in the destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liabilities as well as delays in other construction, fabrication, installation or commissioning activities.

Hydrocarbon exploration is also capital intensive. Exploration and development of the existing assets and acquisition of new assets may be dependent upon the Issuer’s ability to obtain suitable financing or ability to generate sufficient cash from operations. There can be no assurance that such funding will be available and, if such funding is made available, that it will be offered on economic terms suitable to the Issuer. Any of the foregoing may have an adverse effect on the Issuer’s business, financial condition and results of operations.

The Issuer and PPCL have limited experience in developing oil and gas reserves which may affect their ability to successfully develop their reserves.

The Issuer, through PPCL, is engaged in E&P activity. PPCL’s management team has relatively limited experience in developing oil and gas reserves. If PPCL is unable to develop its reserves economically or in a timely manner, or at all, PPCL’s, and therefore the Issuer’s, business, financial condition and results of operations may be adversely affected to the extent of their joint stake in the reserves.

Changes to, or termination of, PPCL’s arrangements with its exploration partners could have an adverse impact on the Issuer’s business operations.

To reduce exploration risks, PPCL participates in joint operating or consortium agreements for exploration projects. The agreements include sharing of revenues, costs and technical expertise for the projects. Changes to, or termination of, such arrangements may impede the success of the projects.

In order to mitigate the risk, PPCL attempts to ensure that its partners for any of its business ventures are credible and reliable. PPCL also ascertains that every agreement it enters into contains remedy provisions that the defaulting or terminating party shall remain liable for its proportionate share in accordance with its PI at the time of default of all costs, expenses and all liabilities. If PPCL were to experience difficulties with the agreements with its exploration partners, it could have a material adverse effect on PPCL and, consequently, on the Issuer’s business, financial condition and results of operations.

The Issuer has certain oil purchase agreements and other business dealings with countries that are or could be subject to U.S. and international trade restrictions, economic embargoes and sanctions.

Presently, the Issuer does not conduct any business activities with Iran, which is subject to sanctions and export controls administered or enforced by the United States, including the U.S. Department of Treasury’s Office of Foreign Assets Control (“OFAC”), the U.S. Department of State, and the U.S. Department of Commerce; the United Nations Security Council; the European Union (“EU”) and Her Majesty’s Treasury of the United Kingdom.

In the past, the Issuer had oil purchase agreements with the National Iranian Oil Company (“NIOC”) and has had previous business dealings with certain other Iranian entities for tanker services and the purchase of crude oil. Transactions involving NIOC also continue to remain subject to U.S. comprehensive primary sanctions with respect to Iran. Iran is a country which is currently subject to U.S. and international trade restrictions, economic embargoes and sanctions.

Due to re-imposition of sanctions on Iran by United States in May 2019, HPCL has currently stopped procuring crude oil from NIOC. HPCL has not procured Iranian crude oil in the year 2020-21 and 2021-22. Further HPCL has not



procured Russian crude oil in the year 2020-21 and 2021-22. HPCL has entered into a spot contract for purchase of Russian grade crude oil in FY 2022-23. However, there can be no assurance that further sanctions will not adversely affect its crude oil procurement from other countries or regions and that Eligible Investors in the Debentures will not incur reputational or other risk as a result of its dealings with sanctioned persons, entities or countries.

Existing sanctions against Iran and Russia present challenges in conducting normal business operations, including international financial transfers. If these sanctions were to expand further, either in severity or in terms of the range of countries applying them, it could have a material adverse impact on the Issuer's ability to conduct business in or with any of these countries. In addition, the United States maintains comprehensive primary sanctions with respect to the following countries: Cuba, Iran, North Korea, Sudan and Syria, as well as the region of Crimea (collectively, Sanctioned Countries). As an entity organised in India, the Issuer is generally not directly subject to these primary sanctions, except to the extent that it engages in activities that occur from, through or within the United States or otherwise involve U.S. persons. However, the United States also maintains a secondary sanctions regime applicable to persons worldwide, who knowingly engage directly or indirectly in certain activities in Iran or who are involved with certain Iranian counterparties or with certain other designated persons or entities, as well as a secondary sanctions regime applicable to persons worldwide who engage in certain activities in North Korea or in support of the government of North Korea or the Workers' Party of Korea.

OFAC administers a number of sanctions programs and maintains a list of persons and entities which are subject to trade restrictions and economic embargoes that prohibit U.S. incorporated entities, U.S. citizens and permanent residents, and persons in the U.S. as well as, in certain circumstances, persons owned or controlled by U.S. persons, from engaging in, either directly or indirectly, commercial, financial or trade transactions with such entities, unless authorized by OFAC or exempt by statute.

The Issuer engages in transactions for the procurement of crude oil, with various entities in multiple countries, including Saudi Arabia, Iraq, United Arab Emirates, Nigeria, Malaysia, Brazil, Azerbaijan, Russian Federation and USA. There can be no assurance that other persons and entities with whom the Issuer now or in the future may engage in transactions and employ will not be subject to U.S. and international sanctions. There can be no assurance that the countries in which the Issuer currently operates will not be subject to further and more restrictive sanctions in the future. There can be no assurance that OFAC or other U.S. and international government agencies will not impose sanctions on other countries or entities in or with which the Issuer currently operates or may in the future operate. There can be no assurance that the Issuer will not make future investments in countries subject to OFAC or other U.S. and international sanctions, or itself become subject to such sanctions.

The Issuer may be involved in litigation which, if determined adversely, could subject the Issuer to significant liabilities.

The Issuer is currently, and may in the future be, implicated in lawsuits in the ordinary course of its business, including lawsuits involving allegations of improper delivery of goods or services, product liability, product defects, quality problems and intellectual property infringements. Litigation could result in substantial costs to, and a diversion of effort by, the Issuer or subject the Issuer to significant liabilities to third parties. There can be no assurance that the results of such legal proceedings will not materially harm the Issuer's business, reputation or standing in the marketplace or that the Issuer will be able to recover any losses incurred from third parties, regardless of whether the Issuer is at fault. The Issuer maintains insurance to cover fire, property damage, business interruption and third-party liability, among others. However, there can be no assurance that (i) losses relating to litigation will not be incurred beyond the limits, or outside the coverage, of such insurance or that any such losses would not have a material adverse effect on the results of the Issuer's operations or financial condition, or (ii) provisions made for litigation-related losses will be sufficient to cover the Issuer's ultimate loss or expenditure.

The Issuer's insurance may not be adequate to protect it against all potential losses to which it may be subject.

The Issuer intends to maintain comprehensive insurance coverage for a significant range of onshore and offshore risks, including business interruption, fire, and accidents at the Issuer's premises, which it believes are in accordance with relevant regulations and customary industry practices in India. However, the amount of the Issuer's insurance coverage may be less than the replacement cost of all covered property and may not be sufficient to cover all financial losses that the Issuer may suffer, should a risk materialize. Also, the Issuer's transportation of crude oil and other feedstock and refined petroleum products will be exposed to potential vessel accidents and spills. As per customary industry practices,



the Issuer takes an insurance policy for the marine transit of crude oil and petroleum products but this may not be sufficient to cover all financial losses that the Issuer may suffer.

Furthermore, there are many events that would expose the Issuer to losses or third-party liabilities, including war and nuclear events that could cause significant damages to its operations, for which it is not insured or not fully insured. If the Issuer were to incur a significant liability for which it was not fully insured, there could be a material adverse effect on its business, results of operations and financial condition.

In addition, the Issuer's policy of covering third party risks through contractual limitations of liability, indemnities and insurance may not always be effective. The Issuer's third-party contractors may not have adequate financial resources to meet their indemnity obligations to the Issuer. Losses may derive from risks not addressed in the Issuer's indemnity agreements or insurance policies. It may not be possible to obtain adequate insurance against some risks on commercially reasonable terms. Failure to effectively cover itself against engineering and design risks for any of these reasons could expose the Issuer to substantial costs and potentially lead to material losses.

The Issuer's ongoing projects have significant capital expenditure requirements and the Issuer's capital expenditure plans are subject to various risks.

The Issuer requires significant capital expenditure relating to development of the Issuer's business and the implementation of the Issuer's business strategy, including investments in the Issuer's subsidiaries and joint ventures. The Issuer's ability to maintain and increase the Issuer's sales turnover, net income and cash flows may depend upon continued capital spending. The Issuer's capital expenditure plans are subject to a number of risks, contingencies and other factors, some of which are beyond the Issuer's control, including:

- The Issuer's ability to generate sufficient cash flows from operations and financings to fund its capital expenditure, investments and other requirements or to provide debt or equity contributions to its subsidiaries;
- the availability and terms of external financing;
- the Government of India's policies relating to foreign currency borrowings;
- the amount of capital other Indian entities and foreign oil and gas companies may seek to raise in the international capital markets;
- the cost of financing and the condition of financial markets; and
- cost overruns or delays in the commencement of commercial production from a new project.

Therefore, the Issuer's actual future capital expenditures and investments may be different from the Issuer's current planned amounts and such differences may be significant.

The Issuer may encounter problems relating to the operations of its joint ventures.

The Issuer has formed 13 (thirteen) joint venture companies with various third parties for undertaking specific business activities. The Issuer may encounter problems with its joint venture partners such as the joint venture partners:

- being unable or unwilling to fulfil either its financial or other obligations;
- having economic or business interests or goals that are inconsistent with the Issuer's interests and goals;
- taking actions contrary to the Issuer's instructions, policies and objectives;
- taking actions that are not acceptable to regulatory authorities;
- becoming involved in litigation; and
- having financial difficulties or disputes with the Issuer.

Any of the foregoing may have an adverse effect on the business, prospects, financial condition and results of operations of the Issuer.

The Issuer has incurred significant indebtedness, and the Issuer must service this debt and comply with its covenants to avoid default risk.

The Issuer has incurred significant indebtedness in connection with its operations and investments. As of March 31, 2022, the Issuer's non-consolidated long-term indebtedness was Rs. 34,976.92 Crores (including current maturity of long-term borrowings but excluding lease obligation under Ind AS 116) and its long-term debt-to-equity ratio (excluding



lease liability as per Ind AS 116) was 0.90:1. As of December 31, 2022, the Issuer's non-consolidated long-term indebtedness was Rs. 46,425.49 Crores (including current maturity of long-term borrowings but excluding lease obligation under Ind AS 116) and its long-term debt-to-equity ratio (excluding lease liability as per Ind AS 116) was 1.90:1. In addition, the Issuer may incur additional indebtedness in the future, including indebtedness incurred to fund capital contributions to its subsidiaries and joint ventures, subject to certain limitations imposed by the Issuer's existing financing arrangements. Although the Issuer believes that its current levels of cash flows from operations and working capital borrowings are sufficient to service its existing debt, there can be no assurance that its level of cash flows will not decrease or will remain sufficient to service its debt.

The Issuer's failure to comply with any of the covenants contained in its financing arrangements could result in a default which would permit the acceleration of the maturity of the indebtedness under such agreements and, if the Issuer is unable to refinance such indebtedness in a timely fashion or on acceptable terms, would have a material adverse effect on the Issuer's business, financial condition and results of operations.

The Issuer may not be able to collect all of its receivables.

The Issuer carries collection risk when it does not demand up-front cash payment for delivered products. The Issuer must be able to promptly collect from its customers to be able to pay its obligations and finance its operations.

In order to manage its collection risk, the Issuer assesses the financial health of its customers and whether to extend credit accordingly. In certain cases, a credit line may also be backed by a bank guarantee. To ensure prompt payment, the Issuer grants a discount if the customer pays within a specified period. Obligations not paid to the Issuer on the due date shall bear interest computed from the first day after it becomes due and payable, equivalent to the prevailing interest rate or the specified rate in the agreement. Overdue accounts are charged with interest.

The Issuer believes that its customers have good credit standing. In case a customer encounters financial difficulty, however, the Issuer may reduce its product supply, invoke the bank guarantee, cut off credit entirely or demand payment in advance to reduce exposure to collection risk and subsequent payment defaults. Any failure on the part of the Issuer to effectively manage its collection risk could have an adverse impact on its business, financial condition and results of operations.

Inability to obtain adequate financing to meet the Issuer's liquidity and capital resource requirements may have an adverse effect on its results of operations.

The Issuer has had, and expects to continue to have, substantial liquidity and capital resource requirements for meeting its working capital requirements as well as capital expenditures. The Issuer will be required to supplement its cash flow from operations with external sources of financing to meet these requirements. The inability of the Issuer to obtain such financing on commercially reasonable terms or at all may impair its business, results of operations, financial condition or prospects. There can be no assurance that financing from external sources will be available at the time or in the amounts necessary or at competitive rates to meet the Issuer's requirements.

Environmental, health and safety risks.

Many of the Issuer's activities have potential for significant environmental impact and are regulated by relevant national authorities under various pollution prevention and control frameworks and under other national legislations.

In addition, safety hazards may arise for employees, contractors and the public from activities of the Issuer and its subsidiaries (together the "Group"). In common with other industries in similar business, the Group uses and generates hazardous and potentially hazardous products and by-products in the course of its operations.

The Group commits significant resources towards ensuring compliance with applicable planning, environmental, health and safety laws and regulations. Nevertheless, a major safety or environmental impact incident could cause injury, loss of life, financial loss, a security of supply issue, property damage and/or reputational damage to the Group.

In addition, breaches of applicable environmental or health and safety laws or regulations could expose the Group to significant penalties, claims for financial compensation and/or adverse regulatory consequences. Furthermore, there can be no assurance that costs of compliance with applicable environmental standards and regulations will not increase and any such increased costs could adversely affect the Group's financial performance.



A significant change in the Government of India's economic liberalization and deregulation policies could adversely affect general business and economic conditions in India and the Issuer's business.

All the Issuer's refining facilities are located in India and approximately 96%, of its sales turnover for Financial Year 2022 were in the Indian domestic market. As a result, the Issuer is heavily influenced by the prevailing economic conditions in India.

The Government of India has traditionally exercised and continues to exercise a dominant influence over many aspects of the Indian economy. India has a mixed economy with a large public sector and an extensively regulated private sector. The role of the Government of India (both central and state governments) in the Indian economy and the effect on producers, consumers, service providers and regulators has remained significant over the years. The governments have in the past, among other things, imposed controls on the prices of a broad range of goods and services, restricted the ability of businesses to expand existing capacity and reduce the number of their employees, and determined the allocation to businesses of raw materials and foreign exchange. Since 1991, successive governments have pursued policies of economic liberalisation, including significantly relaxing restrictions in the private sector. Nevertheless, the role of the Indian central and state governments in the Indian economy as producers, consumers, service providers and regulators has remained significant, which can directly or indirectly affect the Issuer's operations. For example, the Government of India places price caps on sales of selected fuels by Government companies, including the Issuer, which directly impacts the sales turnover of the Issuer given the volatility of commodity prices experienced in recent years.

Although the current Government of India at the central level has continued India's economic liberalisation and deregulation programs, there can be no assurances that these liberalisation policies will continue in the future. A significant change in India's economic liberalisation and deregulation policies could adversely affect business and economic conditions in India in general as well as the Issuer's business and the Issuer's future financial performance.

A slowdown in economic growth or increased volatility of commodity prices in India could have an adverse effect on the Issuer's business.

The growth of the Indian oil industry and the Issuer's performance are dependent on the health of the overall Indian economy. The Indian economy has shown sustained growth over recent years with real gross domestic product ("GDP") (that is, GDP adjusted for inflation). However, the growth in industrial production in India has been variable. Any slowdown in the Indian economy or future volatility of global commodity prices could adversely affect the Issuer's business, including its expansion plans, its financial performance and the trading price of the Debenture.

Any increase in inflation in the future, because of increases in prices of commodities such as crude oil or otherwise, may result in a tightening of monetary policy. The uncertainty regarding liquidity and interest rates and any increase in interest rates or reduction in liquidity could adversely impact the Issuer's business, financial condition and results of operations.

Business disruptions could adversely affect the Issuer's future revenue and financial condition and increase its costs and expenses.

The Issuer's operations could be disrupted due to war, expropriation, terrorism, earthquakes, power shortages, telecommunications failures, water shortages, tsunamis, floods, hurricanes, typhoons, fires, extreme weather conditions, medical epidemics, and other natural or manmade disasters or business interruptions. The occurrence of any of these business disruptions could adversely affect the Issuer's revenue and financial condition and increase its costs and expenses. The ultimate impact on the Issuer, its significant suppliers and its general infrastructure as a result of such natural or manmade disasters or business interruptions is unknown, but the Issuer's revenue, profitability and financial condition could suffer in the event of any such natural or manmade disasters or business interruptions.

Natural calamities could have an adverse impact on the Indian economy which could adversely affect the Issuer's business, financial condition, results of operations and the trading price of the Debentures.

A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact the Issuer's financial condition.

Flows to foreign exchange reserves can be volatile, and past declines may have adversely affected the valuation of the Rupee. Further declines in foreign exchange reserves, as well as other factors, could adversely affect the valuation of the



Rupee which could result in reduced liquidity and higher interest rates that could adversely affect the Issuer's future financial performance.

Companies operating in India are subject to a variety of central and state government taxes and surcharges.

Tax and other levies imposed by the central and state governments in India that affect the Issuer's tax liability include central and state taxes and other levies, income tax, value added tax, turnover tax, GST, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time.

With effect from Financial Year 2019-20, the Issuer has opted for corporate income tax rate of 22% (twenty two per cent) from amongst the 2 (two) options of continuing with the erstwhile rate of 30% (thirty per cent) or opting the new rate of 22% (twenty two per cent). In line with extant provisions of the Income Tax Act, a surcharge on 'Income Tax and Health & Education Cess' is applicable on the income tax rate opted by the Issuer.

The Government of India may, in the future, change the corporate income tax levied by it. Any such future change or amendments may affect the overall tax incidence on companies operating in India and may result in significant change in tax liability. Additional tax exposure could adversely affect the Issuer's business and results of operations.

An outbreak of an infectious disease or any other serious public health concerns in Asia or elsewhere could have an adverse effect on the Issuer's business and results of operations. Further, lockdowns due to Covid 19 pandemic may impact the Issuer's operations.

The outbreak of an infectious disease in Asia or elsewhere or any other serious public health concerns could have a negative effect on the economies, financial markets and business activities in the countries from where the Issuer's raw materials are sourced or in which the Issuer's end markets are located, which could have an adverse effect on the Issuer's business. Since 2020, an outbreak of the Covid19 pandemic in 2020 has affected several countries, including India. The whole of oil industry including the Issuer witnessed general fall in demand for petroleum products in the immediate aftermath of Covid19 pandemic in 2020. There was a significant fall in demand of petroleum products in the month of April 2020 due to lockdown in India. However, with the gradual relaxations and unlock guidelines announced by the Government of India (at the central and state level) related to movement of people, goods and services, the demand for petroleum products started improving from May 2020 onwards and gradually moved towards pre-pandemic levels as Financial Year 2020-2021 came to end. During this period, the Issuer continued its operations without disruption to ensure supply of essential petroleum products.

Due to outbreak of such infectious diseases, the Issuer's supply chains may be affected as a result of any restriction on movement of people and goods imposed by any government and any such restriction may affect the Issuer's operations.

There have been border controls and travel restrictions imposed by various countries to contain the spread and transmission of COVID-19 since its outbreak. Such outbreak of an infectious disease together with any resulting restrictions on travel and/or imposition of quarantine measures may result in protracted volatility in international markets and/or a global economic conditions and may impact the operations, revenues, cash flows and profitability of the Issuer. As of the date of the Placement Memorandum, there is uncertainty relating to the severity of the near-and long-term adverse impact of the COVID-19 pandemic on the global economy, global financial markets and the Indian economy and as time progresses, there will be greater visibility on operations.

Depreciation of the Rupee against foreign currencies may have an adverse effect on the Issuer's business, financial condition and results of operations.

As of December 31, 2022, the Issuer's non-consolidated borrowings in foreign currency were approximately Rs. 23,271.95 Crores, while substantially all of the Issuer's the Issuer's revenues are denominated in Rupees. Accordingly, depreciation of the Rupee against these currencies will increase the Rupee cost to the Issuer of servicing and repaying its foreign currency borrowings. A depreciation of the Rupee would also increase the costs of imports by the Issuer and may have an adverse impact on its business, financial condition and results of operations.

Terrorist attacks, civil disturbances and regional conflicts in South Asia and elsewhere may have a material adverse effect on the Issuer's business and on the market for securities in India.



India has from time to time experienced instances of social, religious and civil unrest and hostilities between neighboring countries. Present relations between India and Pakistan continue to be fragile on the issue of terrorism. In November 2008, coordinated shooting and bombing attacks occurred across Mumbai, India's financial capital, which resulted in loss of life, property and business. Further, India has also experienced social unrest in some parts of the country. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies, including the Debentures.

The Issuer's business and activities are regulated by the Competition Act, 2002, as amended ("Competition Act"). Any application or interpretation of the Competition Act may be unfavourable, and may have an adverse effect on its business and results of operations.

India has enacted the Competition Act, under the auspices of the Competition Commission of India ("CCI") to prevent business practices from having an adverse effect on competition. Under the Competition Act, any arrangement, understanding or action in concert, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and results in substantial monetary penalties. Any agreement among competitors engaged in similar trade or business, which directly or indirectly determines purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services by way of allocation of geographical area of type of goods or services, market or number of customers in the market or any other similar way, directly or indirectly results in bid rigging or collusive bidding, is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. The CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. It is unclear as to how the Competition Act and the orders, directives, rules, regulations issued by the CCI may affect industries in India. The Issuer cannot predict the impact of the provisions of the Competition Act on the agreements it has entered into with third parties. The Issuer is not currently party to any outstanding proceedings, nor has the Issuer received any notice in relation to non-compliance with the Competition Act or the agreements it has entered into with third parties. However, if the Issuer is affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or if any prohibition or substantial penalties are levied under the Competition Act, it could materially adversely affect its business, prospects, financial condition and results of operations.

The newly implemented taxation system could adversely affect the Issuer's business and the trading price of the Debentures.

The Government of India has introduced two major reforms in Indian tax laws, namely the goods and services tax, and provisions relating to general anti-avoidance rules ("GAAR").

Since the implementation of the goods and service tax ("GST"), major products handled by the Issuer like motor spirit, high speed diesel, aviation turbine fuel, natural gas and crude oil are not covered by GST and continue to be governed by the existing taxes, for example excise duty and value added tax etc. The date from which GST will be levied on these products will be recommended by GST council.

GAAR was implemented from April 1, 2018. As per the new proposal, GAAR will not apply to income accruing, arising or received by any person from transfer of investments made before April 1, 2018.

The GAAR provisions are intended to catch arrangements declared as "impermissible avoidance arrangements", which is defined in the Finance Act 2012 as any arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and which satisfy at least one of the following tests:

- creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length;
- results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961;
- lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or
- is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes.



The onus to prove that the transition is an “impermissible avoidance agreement” is on the tax authorities. If GAAR provisions are invoked, then the tax authorities have wide powers, including the denial of tax benefit or the denial of a benefit under a tax treaty. As the taxation system is intended to undergo a significant overhaul, the consequential effects on the Issuer cannot be determined as of the date of this Placement Memorandum and there can be no assurance that such effects would not adversely affect the Issuer’s business, future financial performance or the trading price of the Debentures.

Inflation in India may adversely affect the Issuer’s business.

India has experienced high rates of inflation in the past. The Issuer can provide no assurance that the rate of inflation will not further increase in the future, which could have an effect on the demand for petroleum products and the Issuer’s ability to sell those products. In addition, from time to time, the Government of India has taken measures to control inflation, which have included tightening monetary policy by raising interest rates, restricting the availability of credit and inhibiting economic growth.

Inflation, measures to combat inflation and public speculation about possible governmental actions to combat inflation have also contributed significantly to economic uncertainty in India and heightened volatility in the Indian capital markets. Periods of higher inflation may also slow the growth rate of the Indian economy which could also lead to a reduction in demand for petroleum products and a decrease in the Issuer’s sales thereof. Moreover, the reporting currency of the Issuer’s financial statements is the Rupee, and fluctuations in the value of the Rupee that result from inflation could affect the Issuer’s results of operations and financial condition. To the extent demand for the Issuer’s products decreases or costs and expenses increase and the Issuer is not able to pass those increases in costs and expenses on to its customers, its operating margins and operating income may be adversely affected, which could have a material adverse effect on the Issuer’s business, financial condition and results of operations.

The Issuer has significant contingent liabilities, which may result in an adverse effect on its business, financial condition and prospects, to the extent that any such liabilities materialize.

The summary of the contingent liabilities, as on March 31, 2022, are set out in paragraph 9.14 of the Placement Memorandum.

Inability to adapt to technological changes or disruptions to the Issuer’s technology platforms or business or communication systems may adversely affect the Issuer.

The Issuer’s success depends in part on its ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. Changes in technology and costs of equipment and compliance, may require issuer to make significant additional capital expenditures to upgrade its facilities. If issuer is unable, for technical, legal, financial or other reasons, to identify and adapt in a timely and cost effective manner to technological changes and consequently evolving market conditions and customer requirements, the Issuer’s business, financial condition and prospects may be adversely affected.

The Issuer being a Government company, the Government of India can influence its decision making process.

The Issuer is a Government company within the meaning of Section 2 (45) of the Companies Act, which enables the Government of India to influence its decision making. It may adversely affect the interests of the Issuer and its other shareholders which in turn could adversely affect the goodwill, operations and profitability of the Issuer.

The Issuer may be adversely affected by changes in policies of the Government of India.

The Issuer is a Government company within the meaning of Section 2 (45) of the Companies Act. While HPCL manages its business with a high degree of financial and operational autonomy, as a result of the ‘Maharatna’ status of the Issuer, control by the Government of India has been an important factor in many aspects of the Issuer’s business. Any pursuit of policies of the Government of India that are not in the interests of the Company, could adversely affect the Issuer’s business, financial condition and prospects.

The Issuer’s accounts are subject to audit by the Comptroller and Auditor-General of India and may be adversely affected by any adverse finding in the audit of the accounts.



Section 143(6)(b) of the Companies Act provides that the CAG shall, within 60 (sixty) days from the date of receipt of the audit report, have a right to comment upon or supplement such audit report. The Issuer could be subject to adverse findings by CAG which could have material adverse impact on its financial conditions, profitability, operations and profits.

Inability to attract and retain, or appropriately replace, its key personnel and sufficient skilled workers may adversely affect the Issuer's business, financial condition and prospects.

The Issuer's success depends substantially on the continued service and performance of its senior management team and other key personnel, as well as on its skilled workforce. If the Issuer loses services of any key individuals and is unable to find suitable replacements in a timely manner, its ability to realize strategic objectives may be impaired. Moreover, as the Issuer is a public sector undertaking, policies of the Government of India, regulate and control emoluments and benefits that issuer pays to its employees and such policies may not permit issuer to pay market rates. Consequently, private sector participants, oil exploration and production, refining and marketing of petroleum products and related activities may dilute the talent pool available to public sector undertakings. Also, since most of its operations lie in remote regions of India, the Issuer may face competitive disadvantages in attracting and retaining key personnel and skilled workers at various levels and positions across the Issuer's organization.

The interests of the Issuer's directors may cause conflicts of interest in the ordinary course of its business.

Conflicts of interest may arise in the ordinary course of decision making for the Issuer. Some of the Issuer's non-executive directors are also on the board of directors of certain companies which are engaged in businesses similar to its business. There is no assurance that the Issuer's directors will not provide competing services or compete with its business in which the Issuer is already present or will enter into in future.

RISK RELATING TO THE ISSUE

There has been only a limited trading in debentures of such nature and the price of the Debentures may be volatile subject to fluctuations.

The Debentures have no established market and there is no assurance that an active market for these Debentures will develop or be sustained. Further, the liquidity and price of the Debentures may vary with changes in market and economic conditions, the Issuer's financial condition and other factors that may be beyond the Issuer's control.

There is no guarantee that the Debentures will be listed on the Stock Exchanges in a timely manner or at all, or that monies refundable to Eligible Investors will be refunded in a timely manner.

In accordance with Indian law and practice, approval for listing and trading of the Debentures will not be granted until after the Debentures have been allotted. While the Issuer will use best efforts to ensure that all steps to ensure that completion of the necessary formalities for allotment, listing and commencement of trading on the Stock Exchanges are taken within the time prescribed by SEBI or applicable law, there may be a failure or delay in listing the Debentures on the Stock Exchanges. The Issuer cannot assure Eligible Investors that any monies refundable on account of (a) withdrawal of the Issue, or (b) failure to obtain final approval from the Stock Exchange(s) for listing of the Debentures, will be refunded in a timely manner. The Issuer shall, however, refund any such monies, with interest due and payable thereon, as prescribed under applicable law.

Eligible Investors may not be able to recover, on a timely basis or at all, the full value of outstanding amounts on the Debentures.

The Issuer's ability to pay interest accrued and the principal amount outstanding from time to time in connection with the Debentures is subject to various factors, including the Issuer's financial condition, profitability and the general economic conditions in India and in the global financial markets.

Changes in interest rates may affect the price of the Debentures.

Securities where a fixed rate of interest is offered, such as the Debentures, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e., when interest rates rise, prices of fixed income



securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the coupon rate, days to maturity and increase or decrease in prevailing interest rates. Increased rates of interest, which may accompany inflation and/or a growing economy, may have a negative effect on the price of the Debentures.

A downgrade in credit rating of the Debentures may affect the price of the Debentures.

The Debentures have been assigned AAA ratings by Credit Rating Agencies. The Issuer cannot guarantee that this rating will not be downgraded, suspended or withdrawn at any time during the tenor of the Debentures. Any downgrade, suspension or withdrawal in the credit rating on the Debentures may lower the price of the Debentures.

Credit ratings may not reflect all risks.

CRISIL and ICRA have assigned credit ratings to Debentures. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Debentures. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Payments on the Debentures will be subordinated to certain tax and other liabilities preferred by law.

The payment on the Debentures will be subordinated to certain liabilities preferred by law, such as claims of the Government of India on account of taxes, and certain liabilities incurred in the ordinary course of the Issuer's business. In an event of default, in particular, in an event of bankruptcy, liquidation or winding-up, the Issuer's assets will be available to meet payment obligations on the Debentures only after all liabilities that rank senior to the Debentures have been paid and, in such event, there may not be sufficient assets remaining, after paying amounts relating to these claims, to pay amounts due on the Debentures.

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SECTION VIII OVERVIEW OF BUSINESS OF ISSUER

8.1 HISTORY

HPCL came into existence after merging four different organizations at different points of time as below:

1952:	HPCL was incorporated in the name of Standard Vacuum Refining Company of India Limited on July 5, 1952
1962:	On March 31, 1962 the name was changed to ESSO Standard Refining Company of India Limited
1974:	Hindustan Petroleum Corporation Limited comes into being after the takeover and merger of erstwhile Esso and Lube India Undertaking
1976:	Caltex Oil Refining Ltd. is taken over by the GOI and subsequently merged with HPCL in 1978
1979:	Kosan Gas Company , the concessionaries of HPCL in the domestic LPG market, are taken over and merged with HPCL

HPCL traces its roots to Standard Oil Company which began its operations in India by selling kerosene in the 1880s. In 1911, the Supreme Court of the United States of America ordered the dissolution of Standard Oil Company pursuant to the Sherman Antitrust Act resulting in its break up into three companies, namely the Standard Oil Company of New York ("**SOCONY**"), the Standard Oil Company of California and the Standard Oil Company of New Jersey.

In 1931, SOCONY merged with Vacuum Oil Company to form SOCONY-Vacuum. In 1933, Esso Standard Eastern ("**ESSO**") and SOCONY-Vacuum merged their respective interests in the Asia Pacific region to form a 50-50 joint venture, Standard-Vacuum Oil Company ("**Stan Vac**"). In 1952, Stan Vac incorporated a company in India to set up India's first modern refinery at Trombay, which was commissioned in 1954. In 1955, Caltex Oil Refining (India) Ltd. ("**Caltex India**") was incorporated in India and its refinery in Visakhapatnam was commissioned in 1957. These refineries provided the foundation for the development of India's refining industry by promoting modern technology and creating a pool of skilled manpower.

In 1962, the operations of Stan Vac became wholly owned by ESSO. In an effort to develop the Indian lubricant market, the GOI incorporated Lube India Limited ("**Lube India**"), a 50-50 joint venture with ESSO. The manufacturing plant of Lube India was commissioned in 1969.

In 1974, HPCL was incorporated by Lube India and ESSO Standard Refining Company of India Limited pursuant to an amalgamation order by the GOI. In 1976, the GOI took over Caltex India and merged it with HPCL in 1978. The undertakings of Kosan Gas Company Ltd. were merged with that of HPCL in 1979.

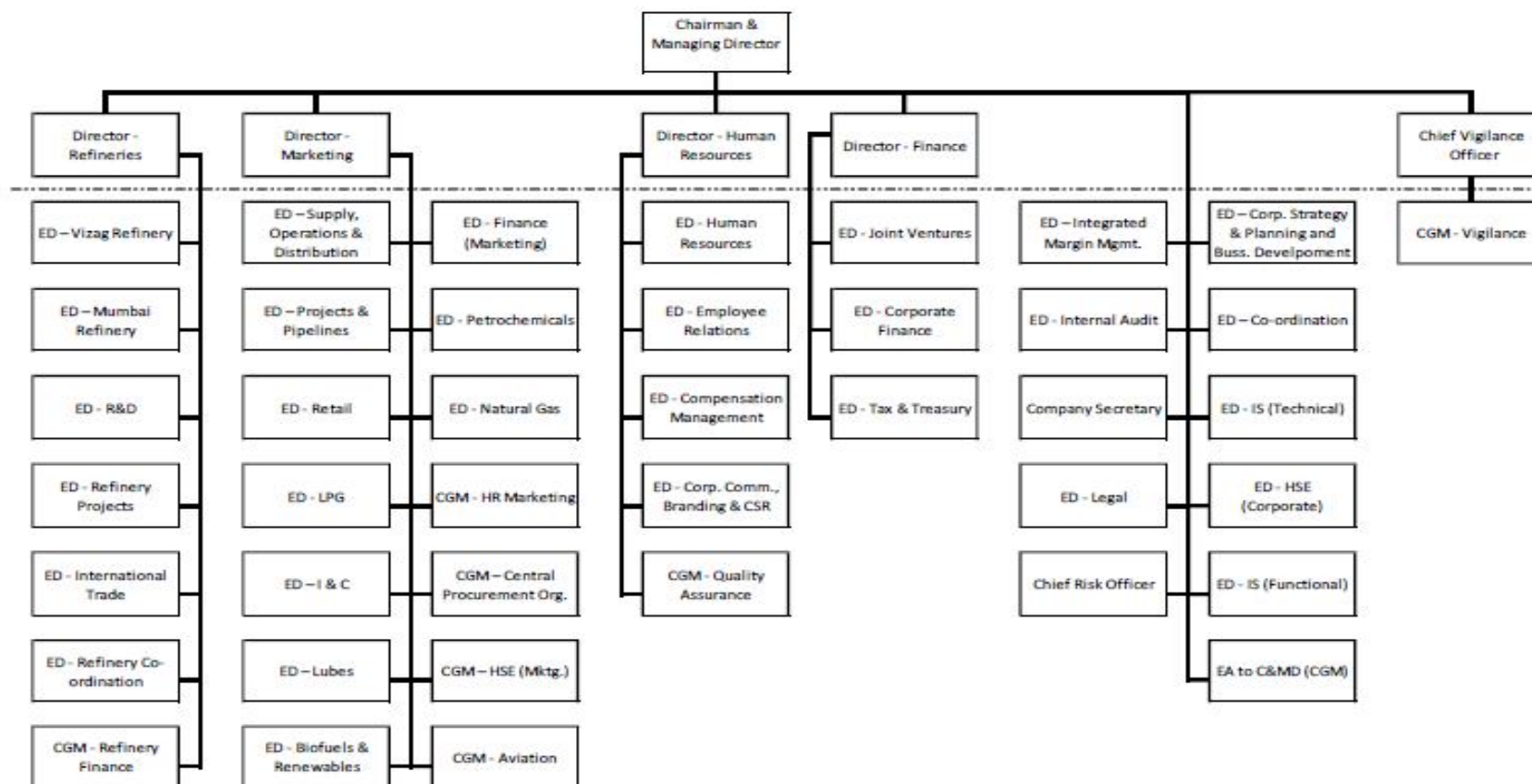
In the 1980s, as part of the GOI policy to involve the private sector in infrastructure projects, a joint venture refinery at Mangalore was commissioned. The Mangalore Refinery and Petrochemicals Limited was the first GOI (through HPCL) and private sector (Aditya Birla group of companies) partnership in the oil and gas sector in India.

In the early 1990s, as part of the reform process, the GOI sold a portion of its shareholding in HPCL. In 1995, the shares of HPCL were offered to the public.

In the following years, HPCL underwent rapid expansion in terms of the capacity of its refineries and lube oil base stock plant, carried out augmentation and capacity expansion of its supply and distribution infrastructure which includes product pipelines, depots (for petroleum, oil and lubricants), LPG plants and lube blending plants and expanded the reach of its channel infrastructure.



8.2 CORPORATE STRUCTURE





8.3 BUSINESS OVERVIEW

8.2.1 Refining

Refining of crude oil is a core activity of the Issuer. The Issuer owns and operates refineries at Mumbai and Visakhapatnam with designed capacities of 9.5 MMTPA (Million Metric Ton per Annum) and 8.3 MMTPA respectively. The Issuer holds 48.99% equity stakes in HPCL-Mittal Energy Limited (“HMEL”) which owns and operates a 11.3 MMTPA refinery (Guru Govind Singh Refinery) at Bhatinda, Punjab. The Issuer has the marketing rights of all products of the Guru Gobind Singh Refinery (GGSR).

During Financial Year 2021-22, the combined crude throughput of these three (Mumbai Refinery, Visakhapatnam Refinery and GGSR) refineries was 26.9 MMTPA (Million Metric Ton Per Annum).

The Issuer also has 16.96% equity stake in Mangalore Refinery and Petrochemicals Limited, which owns and operates a 15 MMTPA refinery at Mangalore, Karnataka.

The following table sets out the location of the refineries owned and operated by the Issuer and HPCL Mittal Energy Limited (“HMEL”):

Name of Refinery	State of Location	Capacity (MMTPA)	Year of Commissioning
Mumbai Refinery	Maharashtra	9.5	1954
Visakhapatnam Refinery	Andhra Pradesh	8.3	1957
GGS Refinery, Bathinda*	Punjab	11.3	2012

* Operated through HMEL

8.2.2 Strategic Business Units (SBUs)

The Issuer operates the following SBUs to market petroleum products and to meet the needs of various customer segments, namely (i) Retail, (ii) LPG, (iii) Lubes, (iv) Direct Sales, (v) Aviation (vi) Natural Gas (vii) Biofuels and Renewables.

A brief description of each of HPCL’s SBUs is set out below.

(i) Retail

During Financial Year 2021-22, the Retail SBU of the Issuer has achieved total sales volume of 23.7 MMT and had commissioned 1,391 new retail outlets taking the number of total retail outlets to 20,025. The major products marketed by the Retail SBU of the Issuer are gasoline (petrol) and gas oil (diesel). Other petroleum products marketed by the Retail SBU includes superior kerosene oil (SKO), compressed natural gas (CNG), auto LPG and lubricants through the retail outlets. The issuer has CNG dispensing facilities available at 1087 retail outlets.

(ii) Liquefied Petroleum Gas

‘HP Gas’, the LPG brand of the Issuer, is one of the most preferred brands among LPG customers. During Financial Year 2021-22, HP Gas served more than over 910 million consumers through its network of LPG distributors. During Financial Year 2021-22, this SBU has enrolled over 39 lakh new customers and commissioned 54 new LPG distributorships, taking total number of distributorship to 6,243. This SBU registered the highest ever LPG sales of 7.7 MMT, registering a growth of 4.4 % over the Financial Year 2020-21.

(iii) Lubricants

The lubricants business line handles the lubricants and greases requirements of public and private industrial customers in various sectors such as agriculture, chemical, defence, energy and transportation sectors and retail sales of lubricants through retailers. The Issuer markets over 350 grades of lubricants, specialties and greases. During Financial Year 2021-22, the Issuer recorded overall sales volume of over 520 TMT. During the Financial Year 2021-22, the Issuer exported 8.2 TMT lubricants across 12 countries.



(iv) Direct Sales (Industrial and Consumer)

The industrial and consumer SBU caters to the requirements of bulk fuels, bitumen, naphtha and specialty products of institutional customers in both government and private sectors, and also handles the exports of these products to overseas markets. During Financial Year 2021-22, this SBU recorded overall sales of 4.8 MMT.

(v) Aviation

The aviation SBU of the Issuer supplies Aviation Turbine Fuel (ATF) to both national and international airline customers through its vast network of 'Aviation Service Facilities' covering all major airports in India. During Financial Year 2021-22, the Issuer achieved ATF sales volume of 520 TMT.

(vi) Natural Gas

The Natural Gas SBU handles the natural gas business of the Issuer which includes marketing, regasification and distribution of natural gas to domestic and industrial customers. The Issuer along with its joint venture companies has the authorization to enhance the city gas distribution presence in 23 geographical areas in 12 states across India. The issuer is building 5 MMTA LNG regasification terminal at Charra Port, Gujarat through its subsidiary company HPLNG Limited.

(vii) Biofuels & Renewables

The SBU handles the biofuels and renewables business of the Issuer. In renewables, the Issuer has installed captive solar power capacity of 10.06 MWp across various locations in Financial Year 2021-22, taking the total solar power capacity to 54 MWp as of March 31, 2022. The Issuer has also set up wind power capacity of 100.90 MW which generated about 18.84 Crore kWh of electricity during Financial Year 2021-22.

In Biofuels, Issuers had invited Expression of Interest (EOI) from potential investors and entrepreneurs for setting up CBG plants and offering CBG to the issuer for marketing through its Retail Network. During 2021-22, issuer has released Letters of Intent (LOIs) for setting up of 262 CBG plants with estimated production capacity of 516 TMTA taking total LOIs to 413 numbers with capacity of 825 TMTA. During the year, one CBG plant by the entrepreneurs has been commissioned.

8.4 DETAILS OF BUSINESS OR ACTIVITIES CARRIED OUT BY JOINT VENTURE COMPANIES, AND SUBSIDIARY COMPANIES

8.4.1 Joint Venture Companies in accordance with Ind AS

Sr. No.	Name of the Company	Date of Incorporation	Shareholding as on 31.12.22		Nature of Operations
1.	HPCL-Mittal Energy Ltd.	13.12.2000	HPCL	48.993%	Refining of crude oil and manufacturing of petroleum products.
			Mittal Investments S.A.R.L.	48.993%	
			Indian Financial Institutions	2.014%	
2.	Hindustan Colas Pvt. Ltd.	17.07.1995	HPCL	50.00%	Manufacture and marketing of Bitumen Emulsions & Modified Bitumen.
			Colasie SA	50.00%	
3.	South Asia LPG Company Pvt. Ltd.	16.11.1999	HPCL	50.00%	Storage of LPG in underground cavern and associated receiving and dispatch facilities at Visakhapatnam.
			Total Holding India	50.00%	
4.	Petronet India Ltd.	26.05.1997	HPCL	16.00%	To act as nodal agency for developing identified and prioritized petroleum product pipelines in the country. The company has commenced voluntary winding up on 30.08.2018.
			BPCL	16.00%	
			IOCL	18.00%	
			Financial / Strategic Investors	50.00%	



Sr. No.	Name of the Company	Date of Incorporation	Shareholding as on 31.12.22		Nature of Operations
5.	Petronet MHB Ltd.	31.07.1998	HPCL	49.996%	Operation and maintenance of petroleum product pipeline between Mangalore-Hassan-Bengaluru.
			ONGC	49.996%	
			Others	00.008%	
6.	Bhagyanagar Gas Ltd.	22.08.2003	HPCL	48.728%	City Gas Distribution network in Hyderabad, Vijayawada and Kakinada in the state of Andhra Pradesh/ Telangana.
			GAIL	48.728%	
			Andhra Pradesh Industrial Infrastructure Corporation Ltd.	2.490%	
			Kakinada Seaports Limited	0.054%	
7.	Aavantika Gas Ltd.	07.06.2006	HPCL	49.993%	City Gas Distribution network in Indore, Ujjain and Gwalior in the state of Madhya Pradesh.
			GAIL	49.993%	
			Financial Institutions	0.014%	
8.	Mumbai Aviation Fuel Farm Facility Pvt. Ltd.	26.02.2010	HPCL	25.00%	To design, develop, construct and operate the aviation fuel facility at Chhatrapati Shivaji International Airport, Mumbai
			IOCL	25.00%	
			BPCL	25.00%	
			Mumbai International Airport Pvt Limited	25.00%	
9.	Godavari Gas Pvt. Ltd.	27.09.2016	APGDC	74.00%	City Gas Distribution network in East Godavari and West Godavari Districts of Andhra Pradesh.
			HPCL	26.00%	
10.	Ratnagiri Refinery and Petrochemicals Ltd.	22.09.2017	IOCL	50.00%	To set up a refinery and petrochemical complex of 60 MMTPA (approximately) along the west coast of India in the State of Maharashtra.
			BPCL	25.00%	
			HPCL	25.00%	
11.	HPCL Rajasthan Refinery Ltd.	18.09.2013	HPCL	74.00%	To set up a 9 MMTPA capacity Greenfield refinery cum petrochemical complex in the State of Rajasthan.
			Govt. of Rajasthan	26.00%	
12.	HPOIL Gas Pvt Ltd.	30.11.2018	HPCL	50.00%	City Gas Distribution network in Ambala and Kurukshetra in the state of Haryana and Kolhapur in the state of Maharashtra.
			OIL	50.00%	
13.	IHB Ltd.	09.07.2019	IOCL	50.00%	To set up cross country Kandla-Gorakhpur LPG Pipeline.
			BPCL	25.00%	
			HPCL	25.00%	

8.4.2 Subsidiary Companies in accordance with Ind AS

Sr. No.	Name of the Company	Date of Incorporation	Shareholding as on 31.12.22		Nature of Operations
1.	Prize Petroleum Co. Ltd.	28.10.1998	HPCL	100%	Exploration and Production (E&P) of Hydrocarbons and services for management of E&P blocks.
2.	HPCL Biofuels Ltd.	16.10.2009	HPCL	100%	Operates two integrated sugar-ethanol-cogen plants at Sugauli and Lauriya in East Champaran and West Champaran Districts respectively in the State of Bihar.
3.	HPCL Middle East FZCO	11.02.2018	HPCL	100%	Trading in Lubricants & Grease, Petrochemicals and Refined Oil Products in Middle East and Africa.
4.	HPCL LNG Ltd. ^	15.10.2013	HPCL	100%	To set up and operate an LNG Re-gasification Terminal at the greenfield port at Chhara (Gujarat)

Notes



^ The Company was converted into a Public Limited Company effective 10th September 2021 and its name changed to HPCL LNG LIMITED.

8.5 CAPITAL EXPENDITURE

The Issuer's capital expenditure, including investments made in its subsidiaries as well as investments in joint ventures, for the Financial Year 2021-22, 2020-21 and 2019-20 amounted to Rs. 16,771 crore, Rs. 14,700 Crore and Rs. 16,311 Crore respectively. The capital expenditure for the Financial Year ending March 31, 2023 is expected to be to the tune of Rs. 13,000 Crores.

The following is the list of key projects of value exceeding Rs. 500 Crore as in the date of this Placement Memorandum.

Project
Joint Venture
HPCL Rajasthan Refinery Project ^{Note 1}
HPCL
Vizag Refinery Modernization Project (VRMP)
Construction of 80000 MT Capacity LPG Cavern Storage at Mangalore
Haldia Panagarh Pipeline Project
CGD projects - Jind Sonipat, UP Cluster, UK cluster, WB Cluster
2G Ethanol Bio refinery at Bathinda

Note 1: The HPCL Rajasthan Refinery Project is a joint venture with the Govt. of Rajasthan and equity participation by HPCL and Govt. of Rajasthan is in the ratio of 74:26.

8.6 KEY OPERATIONAL PARAMETERS

The table below shows certain company - wide key operating data for the periods indicated:

8.6.1 Refineries

Refine ry	2021-22			2020-21			2019-20			2018-19		
	Refini ng Capac ity	Crude Oil Through put	Utilizat ion Rate	Refini ng Capac ity	Crude Oil Through put	Utilizat ion Rate	Refini ng Capac ity	Crude Oil Through put	Utilizat ion Rate	Refini ng Capac ity	Crude Oil Through put	Utilizat ion Rate
	(MMT)	(MMT)	(%)	(MMT)	(MMT)	(%)	(MMT)	(MMT)	(%)	(MMT)	(MMT)	(%)
Mumbai	7.5	5.56	74%	7.5	7.37	98%	7.5	8.07	108%	7.5	8.67	116%
Vizag	8.3	8.41	101%	8.3	9.05	109%	8.3	9.11	109%	8.3	9.77	117%

8.6.2 Annual Production

(i) Production Volume – Mumbai Refinery

PRODUCTION VOLUME - MUMBAI REFINERY		2021-22	2020 - 21	2019 - 20	2018 - 19
Light distillates					
- Liquified petroleum gas		251.45	345.77	399.01	479.12
- Naphtha		832.68	588.39	476.52	430.81
- Motor spirit		545.88	1,216.41	1,376.05	1,563.52
- Hexane		11.03	7.38	12.70	11.00
- Solvent 1425		(0.77)	4.42	2.53	1.84
	Sub-total	1,640.27	2,162.37	2,266.81	2,486.30
Middle distillates					
- Mineral turpentine oil		43.94	47.78	27.38	32.29
- Aviation turbine fuel		228.89	185.55	445.03	503.65
- Superior kerosene oil		60.87	120.47	105.56	158.34
- High speed diesel		1390.23	2,651.39	2,787.37	2,973.40
- Light diesel oil		133.13	139.59	113.52	103.64
	Sub-total	1,857.06	3,144.78	3,478.86	3,771.31
LOBS/TOBS		368.37	413.23	478.13	472.81
Heavy ends					



- Furnace oil		775.46	611.64	651.77	718.29
- Low sulphur heavy stock		0	-	(0.11)	-
- Bitumen		376.76	479.66	578.69	599.83
- Others (including input of BH gas)		(4.69)	(19.43)	29.72	8.01
	Sub-total	1,147.53	1,071.87	1,260.07	1,326.13
Total		5,013.23	6,792.25	7,483.87	8,056.55
Intermediate stock differential		80.86	(21.50)	21.40	17.20
Fuel & loss		463.76	603.46	575.95	614.10
Grand total		5,557.85	7,374.21	8,081.22	8,687.85

(ii) **Production Volume – Visakhapatnam Refinery**

PRODUCTION VOLUME - VISAKH REFINERY						'000 Tonnes
		2021-22	2020-21	2019-20	2018-19	
Light Distillates						
- Liquified petroleum gas		310.48	401.27	384.22	417.43	
- Naphtha		211.68	285.96	747.05	295.16	
- Motor spirit		1,593.29	1750.05	1,263.30	1,760.79	
- Propylene		48.09	51.83	53.05	62.70	
	Sub-total	2,163.54	2,489.11	2,447.62	2,536.08	
Middle Distillates						
- Mineral turpentine oil		22.49	16.11	5.28	2.17	
- Aviation turbine fuel		50.32	48.53	114.71	136.83	
- Superior kerosene oil		95.35	104.31	158.43	162.61	
- High speed diesel		3,384.45	3,876.92	3,691.35	4,302.78	
- JBO		14.96	14.45	6.01	5.47	
- Light diesel oil		215.49	196.43	145.18	136.71	
	Sub-total	3,783.06	4,256.75	4,120.96	4,746.57	
Heavy Ends						
- Furnace oil		886.07	982.86	1,051.45	1,049.18	
- Low sulphur heavy stock		82.93	60.69	35.53	45.10	
- Bitumen		569.14	560.68	599.07	667.49	
- Others		291.35	57.97	37.48	50.80	
	Sub-total	1,829.49	1,662.20	1,723.53	1,812.57	
Total		7,776.09	8,408.06	8,292.11	9,095.22	
Intermediate stock differential		(46.51)	(75.40)	142.82	(38.74)	
Fuel & loss		680.25	717.81	680.12	716.65	
Grand total		8,409.83	9,050.47	9,115.05	9,773.13	

8.6.3 Production Lubricant Blending and LPG Bottling

Particulars	2021-22	2020-21	2019-20	2018-19
Lubricants production (MT)	474433	500476	533233	538744
Quantity of LPG filled in cylinders (MT)	7475610	7199956	6875089	6413107

8.6.4 Key Pipeline Operating Parameters

Pipelines	Year of commissioning	Length	Size	Installed capacity/ (Available Capacity)	Thruput	Utilization
		(KM)	(inch)	(MMTPA)	(MMT)	%
Mumbai-Pune-Solapur pipeline	Mumbai-Pune : 1985	508	14" / 12.75"	4.3	2.763	64%
	Pune-Solapur : 2006					
Vizag-Vijayawada-Secunderabad pipeline	Vizag-Vijayawada : 1998	572	18"/16"/14"	7.7	4.687	61%
	Vijayawada-Secunderabad : 2002					
Mundra-Delhi pipeline	2007	1054	18"/16"	6.9	2.534	37%



Ramanmandi-Bahadurgarh pipeline	2012	243	18"	7.11	6.717	94%
Ramanmandi-Bathinda pipeline	2011	30	10"	2.1	1.127	54%
Awa-Salawas pipeline	2015	93	10"	2.3	0.553	24%
Bahadurgarh-Tikrikalan pipeline	2015	14	10"/12"	0.75	0.287	38%
Rewari- Kanpur Pipeline	2015	443	18"	7.98	4.278	54%
Mangalore-Hassan-Mysore-Solur LPG	2016	356	14"/16"/10"	1.34	1.157	86%
Uran-Chakan-Shikrapur LPG Pipeline	2019	169	12"/10"	1	0.913	91%
Palanpur-Vadodara Pipeline	2019	235	18"	4.5	0.65	14%
ATF pipeline from Mumbai Refinery to Mumbai Airport	1996	20	10"	1.10/ (0.5)	0.225	20%
Black Oil Pipeline (BOPL)	1998	22	12"	1.5	0.516	34%
Lube Oil Pipeline : Trombay to Wadibundar	1992	17	10"	1	0.387	39%
Barwala Hisar Pipeline	2021	10	16"/ 14"	0.968	0.166	17%
Vijayawada-Dharmapuri Pipeline	To be Commissioned	699	16"	-	-	-
Hassan-Cherlapally Pipeline	To be Commissioned	649	14"	-	-	-

8.7 DETAILS OF PROMOTER

The Issuer's Promoters are:

- The President of India acting through the Ministry of Petroleum and Natural Gas, Government of India, and,
- Oil and Natural Gas Corporation Limited.

Details of Promoter	Description
Name of Promoter	Oil and Natural Gas Corporation Limited
Date of Incorporation	June 23, 1993
Corporate Identification Number	L74899DL1993GOI054155
Registered Address	Plot No. 5A-5B, Nelson Mandela Road, Vasant Kunj, South West Delhi -110070
Business and Financial Activities	See description below.
Permanent Account Number	AAACO1598A
E-mail Address	secretariat@ongc.co.in
Telephone Number	(+91 11) 2675 4073/85

ONGC is a 'Maharatna' public sector undertaking under Ministry of Petroleum & Natural Gas, Government of India. ONGC's key business activity is oil and gas exploration and production and is also present across the hydrocarbon value chain with operations in refining, petrochemicals, power and LNG. ONGC conducts its domestic exploration and production activities through its independent operations as well as in associations and joint ventures with other oil and gas companies. ONGC conducts downstream refining and marketing operations in India primarily through its subsidiary companies.

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SECTION IX FINANCIAL POSITION OF THE ISSUER

9.1 KEY OPERATIONAL AND FINANCIAL PARAMETERS ON A STANDALONE BASIS

(Rs. In Crore)

Particulars	As on/for the year ended 30.09.22 (Unaudited)	As on/for the year ended 31.03.22 (Audited)	As on/for the year ended 31.03.21 (Audited)	As on/for the year ended 31.03.20 (Audited)	As on/for the year ended 31.03.19 (Audited)
Balance Sheet					
Net Fixed assets	84,634.51	82868.73	74134.03	65434.10	50475.20
Current assets	47,977.77	49571.45	43607.45	37294.52	43217.66
Non-current assets	1,04,051.39	100588.93	87631.73	76720	60621.3
Total assets	1,52,029.16	150160.38	131,239.18	114014.52	103838.96
Non-Current Liabilities (including maturities of long-term borrowings and short-term borrowings)	44,496.73	40733.77	33003.4	28041.08	18661.46
<i>Financial (borrowings, trade payables, and other financial liabilities)</i>	42,098.69	34265.37	27070.61	22287.87	11317.73
<i>Provisions</i>	42.45	44.97	51.66	50.20	55.30
<i>Deferred tax liabilities (net)</i>	1866.78	5978.27	5,511.09	5,491.53	7,164.75
<i>Other non-current liabilities</i>	488.82	445.16	370.04	211.48	123.68
Current Liabilities (including maturities of long-term borrowings)	83,397.78	70749.57	62,049.67	57,011.08	57,002.68
<i>Financial (borrowings, trade payables, and other financial liabilities)</i>	72,121.00	61220.26	52858.61	50783.51	50221.82
<i>Provisions</i>	2,785.22	2835.50	3,144.88	2,948.44	2,235.09
<i>Current tax liabilities (net)</i>	112.02	267.43	351.72	366.97	831.27
<i>Other current liabilities</i>	8,379.54	6426.38	5,694.46	2,912.16	3,714.50
Total Liabilities	1,27,894.51	111483.34	95053.07	85052.16	75664.14
Equity (equity and other equity)	24,134.64	38677.04	36,186.11	28,962.36	28,174.82
Total equity and liabilities	1,52,029.16	150160.38	1,31,239.18	1,14,014.52	1,03,838.96
Profit and Loss					
Total revenue from operations	2,35,621.06	3,73,896.74	2,70,326.32	2,87,416.93	2,96,946.31
Other income	620.22	2,969.68	2,788.73	1,838.17	1,675.01
Total expenses	2,52,716.47	3,68,662.72	2,58,868.26	2,86,679.58	2,89,282.66
Total comprehensive income	-12,666.87	6,683.14	10,677.69	2,186.56	5,964.38
Profit / loss	-12,369.08	6,382.63	10,663.88	2,637.26	6,028.66
Other comprehensive income	-297.79	300.51	13.81	(450.70)	(64.28)
Profit / loss after tax	-12369.08	6,382.63	10,663.88	2,637.26	6,028.66
Earnings per equity share:					
(a) basic	(87.20)	44.94	70.57	17.31	39.56
(b) diluted	(87.20)	44.94	70.57	17.31	39.56
Continuing operations	-12,369.08	6,382.63	10,663.88	2,637.26	6,028.66
Discontinued operations	0	0	0	0	0
Total Continuing and discontinued operations	-12,369.08	6,382.63	10,663.88	2,637.26	6,028.66
Cash Flow					
Net cash generated (used) from operating activities	-14934.18	15,889.75	17,722.28	5,453.33	8,449.74
Net cash generated (used in) from investing activities	-5838.62	(12,565.32)	(12,728.21)	(14,165.71)	(11,383.35)
Net cash generated (used) in financing activities	21258.55	(3,119.42)	(4,393.00)	8,478.26	2,690.74
Cash and cash equivalents	-1614.70	(2100.45)	(2,305.46)	(2,906.53)	(2,672.41)
Balance as per statement of cash flows	-1614.70	(2100.45)	(2,305.46)	(2,906.53)	(2,672.41)
Additional Information					
Net worth	24134.64	38,677.04	36,186.11	28,962.36	28,174.82



Cash and Cash Equivalents	-1614.70	(2,100.45)	(2,305.46)	(2,906.53)	(2,672.41)
Current Investments	5154.59	5,371.52	5,417.58	5,344.86	5,083.76
Net sales	2,35,621.06	3,73,896.74	270,326.32	287,416.93	296,946.31
EBIDTA	-13,372.21	13,145.54	18,714.17	5,958.70	13,077.21
EBIT	-15,547.57	9,176.43	15,161.52	2,654.31	10,064.60
Dividend amounts*	-	3,222.89	1,484.41	1,725.11	1,653.34
Long term debt due to working capital	4,067.42	3,789.77	3,655.75	3,783.25	3,458
Current liability ratio – Current liabilities / non-current liabilities	1.87	1.74	1.88	2.03	3.05
Total Debts to Total Assets	0.45	0.29	0.30	0.36	0.26
Debt Service Coverage Ratios	(4.39)	2.20	2.56	1.72	5.70
Interest Service Coverage Ratios	(7.69)	6.04	11.45	3.24	18.01

*Dividend amount paid during the period inclusive of dividend distribution tax.

9.2 KEY OPERATIONAL AND FINANCIAL PARAMETERS ON A CONSOLIDATED BASIS

(Rs. In Crore)

Particulars	As on/for the year ended 30.09.22 (Unaudited)	As on/for the year ended 31.03.22 (Audited)	As on/for the year ended 31.03.21 (Audited)	As on/for the year ended 31.03.20 (Audited)	As on/for the year ended 31.03.19 (Audited)
Balance Sheet					
Net Fixed assets	87,801.83	87,033.34	76,247.94	66,121.54	51,160.23
Current assets	48,223.53	49,749.85	44,163.79	37,619.76	43,490.00
Non-current assets	1,09,979.27	1,04,878.34	89,995.92	79,290.13	63,856.48
Total assets	1,58,202.80	1,54,628.19	1,34,159.71	1,16,909.89	1,07,346.48
Non-Current Liabilities (including maturities of long-term borrowings and short-term borrowings)	46,830.58	41,784.41	33,698.52	28,881.22	19,735.92
Financial (borrowings, trade payables, and other financial liabilities)	44,356.32	35,319.27	27,797.05	23,110.33	12,128.31
Provisions	107.61	50.73	56.78	54.62	58.41
Deferred tax liabilities (net)	1866.73	5,957.71	5,462.21	5,491.44	7,396.25
Other non-current liabilities	499.92	456.70	382.48	224.83	152.95
Current Liabilities (including maturities of long-term borrowings)	83,293.80	71,439.57	62,380.33	57,048.05	57,209.90
Financial (borrowings, trade payables, and other financial liabilities)	72,358.01	62,247.95	53,486.32	51,134.58	50,576.66
Provisions	2,436.42	2,486.70	2,827.09	2,630.56	2,082.18
Current tax liabilities (net)	112.02	267.43	351.72	366.97	831.27
Other current liabilities	8,387.35	6,437.49	5,715.20	2,915.94	3,719.79
Total Liabilities	1,30,124.38	1,13,223.98	96,078.85	85,929.27	76,945.82
Equity (equity and other equity)	28,078.42	41,404.21	38,080.86	30,980.62	30,400.66
Total equity and liabilities	1,58,202.80	1,54,628.19	1,34,159.71	1,16,909.89	1,07,346.48
Profit and Loss					
Total revenue from operations	2,35,713.93	3,74,126.99	2,70,577.96	2,87,742.05	2,97,222.28
Other income	613.23	2,438.92	2,643.73	1,681.62	1,453.12
Total expenses	2,52,867.79	3,68,880.34	2,59,163.35	2,86,588.28	2,89,565.93
Total comprehensive income	-11,450.27	7,515.59	10,816.32	1,980.91	6,604.03
Profit / loss	-11,032.81	7,294.23	10,662.89	2,638.73	6,690.63
Other comprehensive income	-417.46	221.36	153.43	(657.82)	(86.60)
Profit / loss after tax	-11,032.81	7,294.23	10,662.89	2,638.73	6,690.63
Earnings per equity share:					
(a) basic	(77.78)	51.36	70.57	17.32	43.91
(b) diluted	(77.78)	51.36	70.57	17.32	43.91
Continuing operations	-11,032.81	7,294.23	10,662.89	2,638.73	6,690.63
Discontinued operations	0	0	0	0	0



Total Continuing and discontinued operations	-11,032.81	7,294.23	10,662.89	2,638.73	6,690.63
Cash Flow					
Net cash generated (used) from operating activities	-14,913.01	15,810.23	17,829.26	5,469.24	8,554.03
Net cash generated (used in) from investing activities	-6,158	(13,744.84)	(12,278.59)	(14,167.89)	(11,381.74)
Net cash generated (used) in financing activities	21,618.24	(2,066.24)	(4,709.19)	8,451.96	2,598.21
Cash and cash equivalents	-1524.27	(2071.50)	(2,070.65)	(2,912.13)	(2,665.44)
Balance as per statement of cash flows	-1524.27	(2071.50)	(2,070.65)	(2,912.13)	(2,665.44)
Additional Information					
Net worth	28,078.42	41,404.21	38,080.86	30,980.62	30,400.66
Cash and Cash Equivalents	(1,524.27)	(2,071.50)	(2,070.65)	(2,912.13)	(2,665.44)
Current Investments	5,154.59	5,371.52	5,417.58	5,344.86	5,083.76
Net sales	2,35,713.93	3,74,126.99	270,577.96	287,742.05	297,222.28
EBIDTA	(11,975.39)	14,141.30	18,785.75	5,883.01	13,910.14
EBIT	(14,174.89)	10,140.94	15,160.28	2,513.14	10,824.84
Dividend amounts*	-	3,222.89	1,484.41	1,725.11	1,653.34
Long term debt due to working capital	4,067.42	3,789.77	3,655.75	3,783.25	3,458
Current liability ratio – Current liabilities / non-current liabilities	1.78	1.71	1.85	1.98	2.89
Total Debts to Total Assets	0.45	0.29	0.30	0.36	0.26
Debt Service Coverage Ratios	(3.65)	2.36	2.46	1.76	5.79
Interest Service Coverage Ratios	(6.68)	6.36	11.16	3.10	17.71

*Dividend amount paid during the period inclusive of dividend distribution tax.

9.3 GROSS DEBT-EQUITY RATIO

The following table sets out the debt to equity ratio of the Issuer immediately prior and subsequent to the issuance of the Debentures (excluding lease obligation in accordance with Ind AS 116):

Before the Issue of Debentures*	2.63
After the Issue of Debentures**	2.71

*The debt-equity ratio before the Issue is considered as on December 31, 2022.

** No effect has been given for changes in equity and debt instruments subsequent to December 31, 2022, except the following (i) Rs. 250 crores for Rupee term loan availed from HDFC Bank in January 2023 (ii) Rs. 300 Crore for Rupee term loan availed from UCO Bank in January 2023 (iii) Rs. 125 Crores repaid towards HDFC Rupee Term Loan in February 2023 and (iv) Rs. 1650 Crore towards the proposed Issue of Debentures.

9.4 A COLUMNAR REPRESENTATION OF THE AUDITED FINANCIAL STATEMENTS (I.E. PROFIT & LOSS STATEMENT, BALANCE SHEET AND CASH FLOW STATEMENT) FOR A PERIOD OF THREE COMPLETED YEARS

9.4.1 Standalone Financial Statements

(Rs. In Crore)						
Balance Sheet as on	-	-	30.09.2022	31.03.2022	31.03.2021	31.03.2020
ASSETS						
(1) Non-Current Assets						
(a) Property, Plant and Equipment			56,435.41	56,311.32	49,260.87	47,746.94
(b) Capital Work-in-Progress			28,199.10	26,557.41	24,053.26	17,046.93
(c) Intangible Assets			809.78	822.27	639.66	543.47
(d) Intangible Assets Under Development			243.13	208.57	180.24	96.76
(e) Financial Assets						
(i) Investment in Subsidiaries, Joint Ventures and Associates			13873.8	11,916.64	9,233.21	6,936.81
(ii) Other Investments			484.84	655.56	341.96	229.93



(iii) Loans		794.87	1,040.89	1,001.24	1,415.90
(iv) Other Financial Assets		151.29	144.98	151.49	6.29
(f) Other Non-Current Assets		3,059.17	2,931.29	2,762.69	2,696.97
Total Non-Current Assets		104051.39	1,00,588.93	87,624.62	76,720.00
(2) Current Assets					
(a) Inventories		30,160.12	35,345.61	28,592.17	19,141.19
(b) Financial Assets					
(i) Investments		5,154.59	5,371.52	5,417.58	5,344.86
(ii) Trade Receivables		4,680.25	6,331.80	6,856.31	3,922.72
(iii) Cash and Cash Equivalents		80.51	107.22	155.29	95.04
(iv) Bank Balances other than cash and cash equivalents			31.55	81.91	18.11
(v) Loans		122.29	244.98	124.63	407.84
(vi) Other Financial Assets		7,036.48	1,519.06	1,761.98	7,938.81
(c) Other Current Assets		654.17	567.01	626.16	415.88
		47919.96	49,510.94	43,616.03	37,284.45
Assets classified as held for Sale/Disposal		57.81	60.51	12.67	10.07
Total Current Assets		47977.77	49,571.45	43,628.70	37,294.52
Total Assets		152029.16	1,50,160.38	1,31,253.32	1,14,014.52
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital		1,418.94	1,418.94	1,452.41	1,524.21
(b) Other Equity		22,715.70	37,258.10	34,733.70	27,438.15
Total Equity		24134.64	38,677.04	36,186.11	28,962.36
Liabilities					
(1) Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings		38,927.47	31,226.98	24,464.54	22,287.17
(ia) Lease Liabilities		3,170.48	3,037.66	2,605.18	-
(ii) Other Financial Liabilities		0.74	0.73	0.89	0.70
(b) Provisions		42.45	44.97	31.68	50.20
(c) Deferred Tax Liabilities (Net)		1,866.78	5,978.27	5,511.09	5,491.53
(d) Other Non-Current Liabilities		488.82	445.16	370.04	211.48
Total Non-Current Liabilities		44496.73	40,733.77	32,983.42	28,041.08
(2) Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings		29,618.93	11,965.93	15,544.37	16,145.80
(ia) Lease Liabilities		286.05	360.01	301.77	-
(ii) Trade Payables:					
Outstanding dues of micro enterprises and small enterprises		325.61	401.46	131.13	105.56
Outstanding dues of creditor other than micro and small enterprises		20141.07	26,046.44	16,343.53	11,193.41
(iii) Other Financial Liabilities		21749.34	22,446.42	20,560.78	23,338.74
(b) Other Current Liabilities		8379.54	6,426.38	5,685.63	2,912.16
(c) Provisions		2785.22	2,835.50	3,164.86	2,948.44
(d) Current Tax Liabilities (Net)		112.02	267.43	351.72	366.97
Total Current Liabilities		83397.78	70,749.57	62,083.79	57,011.08
		152029.16	1,50,160.38	1,31,253.32	1,14,014.52
Total Equity and Liabilities					

(Rs. In Crore)

Statement of Profit and Loss for the periods	-	-	30.09.2022	2021-22	2020-21	2019-20
Income						
Revenue From Operations						
Sale of Products (including Excise Duty)			2,34,885.09	3,72,641.60	2,69,242.86	2,86,250.27



Other Operating Revenue		735.97	1,255.14	1,083.46	1,166.66
		2,35,621.06	3,73,896.74	2,70,326.32	2,87,416.93
Other Income		620.22	2,969.68	2,788.73	1,838.17
Total Income		2,36,241.28	3,76,866.42	2,73,115.05	2,89,255.10
Expenses					
Cost of Materials Consumed		64962.99	69,435.87	44,462.40	59,750.69
Purchases of Stock-in-Trade		159975.97	2,53,209.37	1,64,494.66	1,87,233.94
Changes in Inventories of Finished Goods, Stock-in -Trade and Work-in-Progress		960.13	(629.57)	(8,532.96)	(418.49)
Excise Duty		12749.09	24,213.81	37,329.51	18,650.52
Employee Benefits Expense		1445.46	2,982.45	3,188.38	3,193.46
Finance Costs		927.62	972.73	914.73	1,081.72
Depreciation and Amortization Expense		2175.36	3,969.11	3,552.65	3,304.39
Other Expenses		9519.85	14,508.95	13,458.89	13,883.35
Total Expenses		252716.47	3,68,662.72	2,58,868.26	2,86,679.58
Profit/(Loss) Before exceptional items and Tax		-16475.19	8,203.70	14,246.79	2,575.52
Exceptional Items - Income/(Expenses)		-	-	-	(1,002.93)
Profit/(Loss) Before Tax		-16475.19	8,203.70	14,246.79	1,572.59
Tax expense:					
Current tax		0	1,510.00	3,569.56	166.95
Deferred tax		-4106.11	498.09	(3.28)	316.50
Short / (Excess) provision of tax of earlier years		0	(187.02)	16.63	(1,548.12)
Total Tax Expenses		-4106.11	1,821.07	3,582.91	(1,064.67)
Profit/(Loss) for the year		-12369.08	6,382.63	10,663.88	2,637.26
Other Comprehensive Income					
Items that will not be reclassified to profit or loss:					
Fair value changes on Equity Instruments through other comprehensive income		-171.07	309.63	106.89	(274.61)
Re-measurements of the defined benefit plans		(0.37)	173.12	(123.25)	(211.20)
Income tax relating to items that will not be reclassified to profit or loss		0.09	(43.57)	31.02	53.15
Items that will be reclassified to profit or loss:					
Effective Portion of Gains/(loss) in a Cash Flow Hedge		-168.97	(185.31)	(1.14)	(24.11)
Income tax relating to items that will be reclassified to profit or loss		42.53	46.64	0.29	6.07
Other Comprehensive Income for the year (net of tax)		-297.79	300.51	13.81	(450.70)
Total Comprehensive Income for the year (net of tax)		-12666.87	6,683.14	10,677.69	2,186.56
Basic and Diluted Earnings per Equity Share (₹)		-87.20	44.94	70.57	17.31

(Rs. In Crore)

Cash Flow Statement	30.09.2022	2021-22	2020-21	2019-20
A. Cash Flow From Operating Activities				
Profit/(Loss) Before Tax	(16,475.19)	8,203.70	14,246.79	1,572.59
Adjustments for:				
Depreciation and Amortization Expense	2,175.36	3,969.11	3,552.65	3,304.39
(Profit)/Loss on sale/write off of property, plant and equipment, Capital work-in-progress, Assets classified held for sale/disposal	(20.20)	(150.50)	51.30	(18.01)
Gain / (Loss) on Remeasurement of Defined benefit plans	(0.27)	129.55	(92.23)	(158.05)
Effective Portion of Gains/(loss) in a Cash Flow Hedge	(126.44)	(138.67)	(0.85)	-
Impairment in Value of Non-current Investments	-	28.00	50.00	229.73



Fair value gain on Current Investments carried at FVTPL	216.94	45.78	(72.90)	(262.66)
Finance Costs	927.62	972.73	914.72	1,081.72
Foreign Currency Transaction and Translation	1,090.67	159.75	(565.23)	909.23
Provision for Doubtful Debts, Loans & Receivables	371.41	(628.59)	699.29	218.22
Bad Debts written off	0.01	0.27	0.41	0.21
Interest Income on current Investments	(182.40)	(370.90)	(379.94)	(366.30)
Dividend Received	(18.38)	(532.59)	(314.95)	(183.59)
Other Non-Cash items	(0.45)	2.79	0.21	(11.92)
Operating Profit before Changes in Assets & Liabilities {Sub Total - (i)}	-12041.32	11,690.43	18,089.27	6,315.56
Change in Assets and Liabilities :				
Decrease / (Increase) in Trade Receivables	1,568.42	524.25	(3,074.22)	1,717.30
Decrease / (Increase) in Loans and Other Assets	(5,789.62)	589.57	5,378.06	2,613.72
Decrease / (Increase) in Inventories	5,185.49	(6,757.14)	(9,452.09)	1,049.81
(Decrease) / Increase in Trade and Other Payables	(3,697.15)	11,293.69	9,966.42	(4,520.12)
Sub Total - (ii)	-2732.86	5,650.37	2,818.17	860.71
Cash Generated from Operations (i) + (ii)	-14774.18	17,340.80	20,907.44	7,176.27
Less : Direct Taxes paid (Net)	160	1,451.05	3,185.16	1,722.94
Net Cash Flow generated from/ (used in) Operating Activities (A)	-14934.18	15,889.75	17,722.28	5,453.33
B. Cash Flow From Investing Activities				
Purchase of Property, Plant and Equipment (including Capital Work in Progress / excluding interest capitalised)	(4,339.47)	(11,081.13)	(11,235.34)	(13,833.45)
Sale of Property, Plant and Equipment	45.40	316.93	58.35	48.76
Purchase of Investments (Including share application money pending allotment/Advance towards Equity)	-1731.71	(2,705.07)	(2,245.02)	(931.91)
Interest received	182.16	371.36	378.85	367.30
Dividend Received	5.00	532.59	314.95	183.59
Net Cash Flow generated from / (used in) Investing Activities (B)	-5838.62	(12,565.32)	(12,728.21)	(14,165.71)
C. Cash Flow From Financing Activities				
Proceeds from Long term borrowings	7,359.13	12,148.34	5,448.91	12,002.41
Repayment of Long term borrowings and leasing liabilities	(370.71)	(2,969.57)	(4,279.71)	(2,250.96)
Proceeds / (repayment) of Short term borrowings	17,474.11	(6,363.74)	(599.91)	1,682.54
Finance Cost paid	(1,220.58)	(1,671.18)	(1,564.41)	(1,230.62)
Buy-back of equity shares (including tax)	-	(1,040.38)	(1,913.47)	-
Dividend paid (including dividend distribution tax)	(1,983.40)	(3,222.89)	(1,484.41)	(1,725.11)
Net Cash Flow generated from / (used in) Financing Activities (C)	21258.55	(3,119.42)	(4,393.00)	8,478.26



Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	485.75	205.01	601.07	(234.12)
Cash and cash equivalents at the beginning of the year	-2100.45	(2,305.46)	(2,906.53)	(2,672.41)
Cash and cash equivalents at the end of the year	-1614.7	(2,100.45)	(2,305.46)	(2,906.53)
Details of cash and cash equivalents at the end of the year:				
Cash and cash equivalents as on	30.09.2022	31.03.2022	31.03.2021	31.03.2020
Balances with Banks:				
- on current accounts	74.48	101.36	150.94	93.19
- on non-operative current accounts		-	0.01	0.01
Cheques Awaiting Deposit			-	-
Cash on hand	6.03	5.86	4.34	1.84
Less : Cash Credits	-1695.21	(2,207.67)	(2,460.75)	(3,001.57)
Cash and cash equivalents at the end of the year	-1614.7	(2,100.45)	(2,305.46)	(2,906.53)

9.4.2 Consolidated Financial Statements

(Rs. In Crore)

Consolidated Balance Sheets as on	30.09.2022	31.03.2022	31.03.2021	31.03.2020
ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	57,099.87	56,982.17	49,950.58	48,391.57
(b) Capital Work-in-Progress	30,701.96	28,645.09	25,128.63	17,047.34
(c) Goodwill on Consolidation	321.62	321.62	321.62	16.69
(d) Other Intangible Assets	809.81	822.31	639.71	543.52
(e) Intangible Assets Under Development	312.83	262.15	207.40	122.42
(f) Investment in Joint Ventures and Associates	15,900.62	12,840.27	9,333.88	8,820.82
(g) Financial Assets				
(i) Other Investments	484.84	655.56	341.96	229.93
(ii) Loans	794.87	925.89	846.24	1,409.48
(iii) Other Financial Assets	151.57	145.55	149.36	6.29
(h) Other Non-Current Assets	3,401.28	3,277.73	3,069.43	2,702.07
Total Non-Current Assets	1,09,979.27	1,04,878.34	89,988.81	79,290.13
(2) Current Assets				
(a) Inventories	30,256.33	35,514.71	28,763.90	19,325.99
(b) Financial Assets				
(i) Investments	5,154.59	5,371.52	5,417.58	5,344.86
(ii) Trade Receivables	4,684.01	6,340.31	6,869.99	3,934.19
(iii) Cash and Cash Equivalents	232.57	233.85	480.38	204.76
(iv) Bank Balances other than cash and cash equivalents	31.83	24.12	94.54	18.36
(v) Loans	137.24	155.18	126.30	409.86



(vi) Other Financial Assets	7,020.25	1,508.00	1,794.45	7,970.43
(c) Other Current Assets	648.90	541.65	625.23	401.24
	48165.72	49,689.34	44,172.37	37,609.69
Assets classified as held for Sale / Disposal	57.81	60.51	12.67	10.07
	48,223.53	49,749.85	44,185.04	37,619.76
Total Assets	1,58,202.80	1,54,628.19	1,34,173.85	1,16,909.89
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	1,418.94	1,418.94	1,452.41	1,524.21
(b) Other Equity	26,659.48	39,985.27	36,628.45	29,456.41
Total Equity	28078.42	41,404.21	38,080.86	30,980.62
Liabilities				
(1) Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	41,069.34	32,115.28	25,049.19	23,109.63
(ia) Lease Liabilities	3,285.09	3,150.74	2,715.23	-
(ii) Other Financial Liabilities	1.89	53.25	32.63	0.70
(b) Provisions	107.61	50.73	36.80	54.62
(c) Deferred Tax Liabilities (Net)	1,866.73	5,957.71	5,462.21	5,491.44
(d) Other Non-Current Liabilities	499.92	456.70	382.48	224.83
Total Non-Current Liabilities	46830.58	41,784.41	33,678.54	28,881.22
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	29,680.56	12,863.45	15,634.65	16,276.12
(ia) Lease Liabilities	296.56	368.28	309.66	-
(ii) Trade Payables:				
enterprises Outstanding dues of micro enterprises and small	329.27	402.21	131.99	113.75
enterprises Outstanding dues of creditor other than micro and small	20171.13	26,075.12	16,444.05	11,358.80
(iii) Other Financial Liabilities	21,880.49	22,538.89	20,988.94	23,385.91
(b) Other Current Liabilities	8,387.35	6,437.49	5,706.37	2,915.94
(c) Provisions	2,436.42	2,486.70	2,847.07	2,630.56
(d) Current Tax Liabilities (Net)	112.02	267.43	351.72	366.97
Total Current Liabilities	83293.8	71,439.57	62,414.45	57,048.05
Total Equity and Liabilities	158202.8	1,54,628.19	1,34,173.85	1,16,909.89

(Rs. In Crore)

Consolidated Statement of Profit and Loss for the periods	30.09.2022	2021-22	2020-21	2019-20
Income				
Revenue From Operations				
Sale of Products (Including Excise Duty)	2,34,977.46	3,72,867.94	2,69,493.69	2,86,574.27



Other Operating Revenue	736.47	1,259.05	1,084.27	1,167.78
	235713.93	3,74,126.99	2,70,577.96	2,87,742.05
Other Income	613.23	2,438.92	2,643.73	1,681.62
Total Income	236327.16	3,76,565.91	2,73,221.69	2,89,423.67
Expenses				
Cost of Materials Consumed	64,945.36	69,536.18	44,572.77	59,906.49
Purchases of Stock-in-Trade	1,59,980.05	2,53,220.67	1,64,500.76	1,87,234.13
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	1,035.26	(625.88)	(8,518.53)	(354.51)
Excise Duty	12,749.09	24,213.81	37,329.51	18,650.52
Employee Benefits Expense	1,461.94	3,017.35	3,219.42	3,224.06
Finance Costs	943.52	997.32	963.28	1,138.85
Depreciation & Amortization Expense	2,199.50	4,000.36	3,625.47	3,369.87
Other Expenses	9,553.07	14,520.53	13,470.67	13,418.87
Total Expenses	252867.79	3,68,880.34	2,59,163.35	2,86,588.28
Profit/(Loss) Before share in profit of Joint Ventures and Associates, Exceptional Items and Tax	-16540.63	7,685.57	14,058.34	2,835.39
Share in Profit/(Loss) of Joint Ventures and Associates	1422.22	1,458.05	138.66	(458.17)
Profit/(Loss) Before Exceptional Items and Tax	-15118.41	9,143.62	14,197.00	2,377.22
Exceptional Items - Income/(Expenses)		-	-	(1,002.93)
Profit/(Loss) Before Tax	-15118.41	9,143.62	14,197.00	1,374.29
Tax expense:				
Current tax	0	1,510.00	3,569.56	166.95
Deferred tax	-4085.6	526.41	(52.08)	116.73
Short/(Excess) Provision of tax of earlier years	0	(187.02)	16.63	(1,548.12)
Total Tax Expenses	-4085.6	1,849.39	3,534.11	(1,264.44)
Profit / (loss) for the year	-11032.81	7,294.23	10,662.89	2,638.73
Other Comprehensive Income				
Items that will not be reclassified to profit or loss:				
Re-measurements of the defined benefit plans	(0.21)	173.30	(123.14)	(211.73)
Fair value changes on Equity Instruments through other comprehensive income	(171.07)	309.63	106.89	(274.61)
Share in Other comprehensive Income of Joint Ventures and Associates	(0.55)	2.54	3.17	(2.93)
Income tax relating to items that will not be reclassified to profit or loss	0.09	(43.57)	31.02	53.15
	-171.74	441.90	17.94	(436.12)
Items that will be reclassified to profit or loss:				
Effective Portion of Gains/(loss) in a Cash Flow Hedge	(168.97)	(185.31)	(1.14)	(24.11)
Share in Other comprehensive Income of Joint Ventures and Associates	(86.32)	(65.68)	121.59	(169.07)
Foreign Currency Translation Reserve	(32.96)	(16.19)	14.75	(34.59)
Income tax relating to items that will be reclassified to profit or loss	42.53	46.64	0.29	6.07
	-245.72	(220.54)	135.49	(221.70)
Other Comprehensive Income for the year (net of tax)	-417.46	221.36	153.43	(657.82)



Total Comprehensive Income for the year (net of tax)	-11450.27	7,515.59	10,816.32	1,980.91
Basic and Diluted Earnings per Equity Share (₹)	-77.78	51.36	70.57	17.32

(Rs. In Crore)

Consolidated Cash Flow Statement for the periods	30.09.2022	2021-22	2020-21	2019-20
A. Cash Flow From Operating Activities				
Profit/(Loss) before Tax	(15,118.41)	9,143.62	14,197.00	1,374.29
Adjustments for:				
Depreciation and Amortization Expense	2,199.50	4,000.36	3,625.47	3,369.87
(Gain)/Loss on sale/write off of property, plant and equipment, Capital work-in-progress, Assets classified held for sale/disposal	(20.21)	(140.62)	51.18	(19.41)
Gain / (Loss) on Remeasurement of Defined benefit plans	(0.12)	129.73	(92.12)	(158.58)
Effective Portion of Gains/(loss) in a Cash Flow Hedge	(126.44)	(138.67)	(0.85)	-
Fair value gain on Current Investments carried at FVTPL	216.94	45.78	(72.90)	(262.66)
Finance Costs	943.52	997.32	963.28	1,138.85
Foreign Currency Transaction and Translation	1,057.72	143.63	(565.37)	874.64
Provision for Doubtful Debts, Loans & Receivables	371.41	(614.83)	696.10	82.76
Bad Debts written off	0.01	0.27	0.74	0.21
Interest Income on current Investments	(185.13)	(370.90)	(385.62)	(373.48)
Dividend Received	(13.38)	(28.76)	(13.64)	(28.76)
Share of Profit from Associate and Joint Venture companies	(1,422.22)	(1,458.05)	(138.66)	458.17
Fair Valuation gain on existing held equity interest		-	(158.99)	-
Other Non-Cash items	(0.50)	2.81	14.41	(6.19)
Operating Profit before Changes in Assets and Liabilities {Sub Total - (i)}	-12097.31	11,711.69	18,120.03	6,449.71
Change in Assets and Liabilities :				
Decrease / (Increase) in Trade Receivables	1,573.05	529.08	(2,935.81)	1,733.20
Decrease / (Increase) in Loans and Other Assets	(5,839.91)	561.96	5,367.12	2,599.94
Decrease / (Increase) in Inventories	5,258.38	(6,754.34)	(9,439.00)	1,115.11
(Decrease) / Increase in Trade and Other Payables	(3,647.22)	11,212.89	9,902.08	(4,705.78)
Sub Total - (ii)	-2655.7	5,549.59	2,894.39	742.47
Cash Generated from Operations (i) + (ii)	-14753.01	17,261.28	21,014.42	7,192.18
Less : Direct Taxes paid (Net)	160	1,451.05	3,185.16	1,722.94
Net Cash Flow generated from/ (used in) Operating Activities (A)	-14913.01	15,810.23	17,829.26	5,469.24
B. Cash Flow From Investing Activities				
Purchase of Property, Plant & Equipment (including Capital Work in Progress / excluding interest capitalised)	(4,661.90)	(12,344.76)	(11,666.00)	(13,856.51)
Sale of Property, Plant & Equipment	45.60	316.94	59.08	62.44
Purchase of Investments (Including share application money pending allotment/Advance towards Equity)	(1,730.00)	(2,612.29)	(1,372.24)	(931.91)
Interest received	183.30	362.67	385.62	374.50
Dividend received from Associate and Joint Venture companies	5.00	503.84	301.31	154.83
Dividend received - others	-	28.76	13.64	28.76
Net Cash Flow generated from / (used in) Investing Activities (B)	-6158	(13,744.84)	(12,278.59)	(14,167.89)



C. Cash Flow From Financing Activities				
Proceeds from Long term borrowings	8,568.20	12,440.33	5,449.45	11,933.40
Repayment of Long term borrowings and leasing liabilities	(370.71)	(2,959.45)	(4,547.19)	(2,167.74)
Proceeds / (repayment) of Short term borrowings	16,674.27	(5,563.90)	(614.91)	1,697.54
Finance Cost paid	(1,270.12)	(1,719.95)	(1,598.66)	(1,286.13)
Buy-back of equity shares (including tax)	-	(1,040.38)	(1,913.47)	
Dividend paid (including dividend distribution tax, as applicable)	(1,983.40)	(3,222.89)	(1,484.41)	(1,725.11)
Net Cash Flow generated from / (used in) Financing Activities (C)	21618.24	(2,066.24)	(4,709.19)	8,451.96
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	547.23	(0.85)	841.48	(246.69)
Cash and cash equivalents at the beginning of the year	-2071.5	(2,070.65)	(2,912.13)	(2,665.44)
Cash and cash equivalents at the end of the year	-1524.27	(2,071.50)	(2,070.65)	(2,912.13)
Details of cash and cash equivalents at the end of the year:				
Cash and cash equivalents as on	30.09.2022	31.03.2022	31.03.2021	31.03.2020
Balances with Banks:				
on current accounts	128.71	122.01	365.43	109.54
on non-operative current accounts		-	0.01	0.01
Cheques awaiting deposit		-	-	-
Cash on hand	6.03	5.86	4.34	1.84
Balances with other banks	97.83	105.98	110.60	93.37
Less : Cash Credit	(1,756.84)	(2,305.35)	(2,551.03)	(3,116.89)
Cash and cash equivalents at the end of the year	-1524.27	(2,071.50)	(2,070.65)	(2,912.13)
Net Increase / (Decrease) in Cash and Cash Equivalents	547.23	(0.85)	841.48	(246.69)

9.5 LIMITED REVIEW UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDING DECEMBER 31, 2022

The details of the limited review unaudited financial result for the quarter ending December 31, 2022 are attached in **Annexure VIII** to the Placement Memorandum.

9.6 FINANCIAL POSITION OF THE ISSUER AS IN THE THREE AUDITED BALANCE SHEETS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THE PLACEMENT MEMORANDUM, INCLUDING THE AUDITOR'S REPORT ALONG WITH THE REQUISITE SCHEDULES, FOOTNOTES AND SUMMARY

The details are attached in **Annexure IX** to the Placement Memorandum.

9.7 AUDITED CASH FLOW STATEMENT FOR THE THREE YEARS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THE PLACEMENT MEMORANDUM

The details are attached in **Annexure IX** to the Placement Memorandum.

9.8 PROFITS OF THE ISSUER, BEFORE AND AFTER MAKING PROVISION FOR TAX, FOR THE THREE FINANCIAL YEARS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THE PLACEMENT MEMORANDUM

The details are attached in **Annexure IX** to the Placement Memorandum.



9.9 DIVIDEND

The following table sets out certain details regarding the dividend paid by the Issuer on the Equity Shares for the Financial Years 2021-22, 2020-21, 2019-20, and 2018-19:

Particulars	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
Dividend	1,986	3,227	1,486	2,423
Dividend %	140.0	227.5	97.5	159

9.10 INTEREST COVERAGE RATIO

The following table sets out the interest coverage ratio (cash profit after tax plus interest paid/interest paid) for the Financial Years 2021-22, 2020-21, and 2019-20

Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Interest Coverage Ratio	7.49	10.09	4.74

9.11 CHANGE IN ACCOUNTING POLICIES DURING THE LAST THREE YEARS AND THEIR EFFECT ON PROFIT AND THE RESERVES OF THE ISSUER

Change in Accounting Policies																									
2022-23-H1																									
No such change in accounting policy having impact on the profit and reserves of the Issuer, as on September 30, 2022																									
2021-22																									
No such change in accounting policy having impact on the profit and reserves of the Issuer, as on March 31, 2022																									
2020-21																									
(i)	The estimated useful lives of the following PPE are based on internal technical assessment and is different from the life prescribed in schedule II of the Companies Act. This requires additional disclosure in the significant accounting policy. The treatment towards 'different useful life' is in order.																								
	<table><tr><th>PPE</th><th>Useful Life Proposed</th></tr><tr><td>CNG Compressors</td><td>10 years</td></tr><tr><td>CNG Cascades and SS Tubing in CNG Stations</td><td>20 years</td></tr></table>	PPE	Useful Life Proposed	CNG Compressors	10 years	CNG Cascades and SS Tubing in CNG Stations	20 years																		
PPE	Useful Life Proposed																								
CNG Compressors	10 years																								
CNG Cascades and SS Tubing in CNG Stations	20 years																								
(ii)	The following changes are made in threshold limits adopted in respect of financial statement:																								
	<table><tr><th>Sl. No.</th><th>Threshold Item</th><th>Amount</th><th>Remarks</th></tr><tr><td>1</td><td>Capitalization of spare parts meeting the definition of property plant and equipment.</td><td>Rs. 15 Lakh</td><td>Revised from Rs. 10 Lakh</td></tr><tr><td>2</td><td>Prepaid expense</td><td>Rs. 7.50 Lakh</td><td>Revised from Rs. 5 Lakh</td></tr><tr><td>3</td><td>Depreciation at 100% in the year of acquisition except LPG cylinders & pressure regulators)</td><td>Rs. 10,000</td><td>Revised from Rs. 5000</td></tr><tr><td>4</td><td>Deposits such as those placed with Utility Entities are charged to revenue in the year of payment except in the year of inception of this threshold, wherein it would cover deposits made till previous year.</td><td>Rs. 10,000</td><td>New</td></tr><tr><td>5</td><td>Refundable non-current financial deposits not yielding interest excluded from fair-valuation.</td><td>Rs. 50 lakh</td><td>New</td></tr></table>	Sl. No.	Threshold Item	Amount	Remarks	1	Capitalization of spare parts meeting the definition of property plant and equipment.	Rs. 15 Lakh	Revised from Rs. 10 Lakh	2	Prepaid expense	Rs. 7.50 Lakh	Revised from Rs. 5 Lakh	3	Depreciation at 100% in the year of acquisition except LPG cylinders & pressure regulators)	Rs. 10,000	Revised from Rs. 5000	4	Deposits such as those placed with Utility Entities are charged to revenue in the year of payment except in the year of inception of this threshold, wherein it would cover deposits made till previous year.	Rs. 10,000	New	5	Refundable non-current financial deposits not yielding interest excluded from fair-valuation.	Rs. 50 lakh	New
Sl. No.	Threshold Item	Amount	Remarks																						
1	Capitalization of spare parts meeting the definition of property plant and equipment.	Rs. 15 Lakh	Revised from Rs. 10 Lakh																						
2	Prepaid expense	Rs. 7.50 Lakh	Revised from Rs. 5 Lakh																						
3	Depreciation at 100% in the year of acquisition except LPG cylinders & pressure regulators)	Rs. 10,000	Revised from Rs. 5000																						
4	Deposits such as those placed with Utility Entities are charged to revenue in the year of payment except in the year of inception of this threshold, wherein it would cover deposits made till previous year.	Rs. 10,000	New																						
5	Refundable non-current financial deposits not yielding interest excluded from fair-valuation.	Rs. 50 lakh	New																						
2019-20																									
Effective April 1, 2019, the Issuer has adopted Ind AS 116 'Leases' using modified retrospective approach. Due to transition, the nature of expenses in respect of certain leases under the erstwhile accounting standard has changed from 'Lease Rental' to 'Depreciation and Amortisation Expense' and 'Finance Cost' for the 'Right-of-Use' assets and for interest accrued on lease liability respectively and therefore these expenses for the period are not comparable with the corresponding period of previous Financial Year.																									
Pursuant to the adoption of this accounting standard, had the leases been accounted for in accordance with the erstwhile accounting standard, the 'Depreciation and Amortisation Expenses' would be lower by Rs. 170.79 Crore, 'Finance Cost' would be lower by Rs. 201.72 Crore and 'Other Expenditure' would be higher by Rs. 247.67 Crore. Net decrease in 'Profit Before Tax' on account of implementation of this accounting standard during the Financial Year 2019-20 is Rs. 124.84 Crore.																									

9.12 RELATED PARTY TRANSACTIONS ENTERED DURING THE LAST THREE FINANCIAL YEARS IMMEDIATELY PRECEDING THE YEAR OF CIRCULATION OF PLACEMENT



MEMORANDUM INCLUDING WITH REGARD TO LOANS MADE OR, GUARANTEES GIVEN OR SECURITIES PROVIDED

9.12.1 Transactions with jointly controlled entities - Amount in Rs. Crores

No.	Nature of Transactions	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
(i)	Sale of goods				
	HPCL-Mittal Energy Ltd.	81.07	35.73	132.63	112.80
	Hindustan Colas Pvt. Ltd.	969.52	691.50	482.38	414.58
	South Asia LPG Company Pvt. Ltd.	0.39	0.22	0.20	0.26
		1,050.99	727.45	615.21	527.64
(ii)	Purchase of goods				
	HPCL-Mittal Energy Ltd.	53136.17	22,544.93	38,168.16	41,262.49
	Hindustan Colas Pvt. Ltd.	405.23	240.85	82.58	62.43
		53,541.40	22,785.78	38,250.74	41,324.92
(iii)	Dividend income				
	HPCL-Mittal Energy Limited	300.04	-	50.03	23.63
	Hindustan Colas Pvt. Ltd.	80.33	59.06	18.90	49.97
	South Asia LPG Company Pvt. Ltd.	75.00	75.00	55.00	45.00
	Petronet India Ltd.	0.00	0.00	0.00	0.00
		455.37	134.06	123.93	118.60
(iv)	Services given (Manpower Supply Service)				
	HPCL-Mittal Energy Ltd.	0.00	0.36	0.67	0.76
	Hindustan Colas Pvt. Ltd.	3.46	2.53	2.73	3.19
	South Asia LPG Company Pvt. Ltd.	0.87	0.64	0.66	0.98
	HPCL LNG Limited	0.00	0.72	0.30	0.46
		4.33	4.25	4.36	5.39
(v)	Lease rental income				
	HPCL-Mittal Energy Ltd.	1.20	1.20	1.20	1.20
	Hindustan Colas Pvt. Ltd.	0.96	0.51	0.26	0.24
	South Asia LPG Company Pvt. Ltd.	1.27	1.71	1.16	1.10
		3.43	3.42	2.62	2.54
(vi)	Others Income (Services provided)				
	HPCL-Mittal Energy Ltd.	29.95	16.65	18.91	22.00
	Hindustan Colas Pvt. Ltd.	5.79	3.96	3.61	6.23
	South Asia LPG Company Private Limited	10.12	0.00	0.00	0.00
		45.86	20.61	22.52	28.23
(vii)	Others Expenses (Services availed)				
	HPCL-Mittal Energy Ltd.	18.97	16.06	16.16	17.98
	Hindustan Colas Pvt. Ltd.	1.85	1.01	4.23	11.35
	South Asia LPG Company Pvt. Ltd.	100.24	92.27	91.03	83.76
		121.06	109.34	111.42	113.09
(viii)	Investment in Equity Shares				
	HPCL LNG Limited	0.00	740.00	151.00	4.00
		0.00	740.00	151.00	4.00

9.12.2 Receivables and payables from and to related parties - Amount in Rs. Crores

No.	Description	31.03.2022	31.03.2021	31.03.2020	31.03.2019
(ix)	Receivables as on				
	HPCL-Mittal Energy Ltd.	6.66	5.10	6.72	10.93
	Hindustan Colas Pvt. Ltd.	36.24	0.00	0.00	0.00
	South Asia LPG Company Pvt. Ltd.	1.41	0.06	0.11	0.05
	HPCL LNG Limited	0.00	0.79	0.13	0.11
	Total	44.31	5.95	6.96	11.09
(x)	Payables as on				
	HPCL-Mittal Energy Ltd.	4502.46	2,528.52	1,363.04	2,403.87
	Hindustan Colas Pvt. Ltd.	86.36	29.97	29.37	27.11
	South Asia LPG Company Pvt. Ltd.	10.19	9.97	8.47	11.78
	Total	4599.03	2,568.46	1,400.88	2,442.76



9.12.3 Transactions with other government-controlled entities

The Issuer is a Government related entity, engaged in the business of refining of crude oil and marketing of petroleum products. The Issuer also deals on regular basis with entities directly or indirectly controlled by the Government of India at the central and state government level, through government authorities, agencies, affiliations and other organizations (collectively referred as “**Government Related Entities**”).

Apart from transactions with Issuer’s group companies, the Issuer has transactions with other Government Related Entities, including but not limited to the following:

- sale and purchase of products;
- rendering and receiving services;
- leasing of assets;
- depositing and borrowing money; and
- use of public utilities.

These transactions are conducted in the ordinary course of the Issuer’s business on terms comparable to those with other entities that are not Government Related Entities.

9.13 SUMMARY OF RESERVATIONS OR QUALIFICATIONS OR ADVERSE REMARKS OF AUDITORS IN THE LAST FIVE FINANCIAL YEARS IMMEDIATELY PRECEDING THE YEAR OF CIRCULATION OF THIS PLACEMENT MEMORANDUM AND OF THEIR IMPACT ON THE FINANCIAL STATEMENTS AND FINANCIAL POSITION OF THE ISSUER AND THE CORRECTIVE STEPS TAKEN AND PROPOSED TO BE TAKEN BY THE ISSUER FOR EACH OF THE SAID RESERVATIONS OR QUALIFICATIONS OR ADVERSE REMARK

Qualified Opinion in the Consolidated Audit Report	There were no reservations, qualifications or adverse remarks by the auditors during the last 5 (five) Financial Years.
Qualified Opinion in the Standalone Audit Report	There were no reservations, qualifications or adverse remarks by the auditors during the last 5 (five) Financial Years.

9.14 DETAILS OF ANY OTHER CONTINGENT LIABILITIES OF THE ISSUER BASED ON THE LAST AUDITED FINANCIAL STATEMENTS INCLUDING AMOUNT AND NATURE OF LIABILITY

	(Rs. Crore)	
	31.03.2022	31.03.2021
Disputed demands / claims subject to appeals / representations filed by HPCL		
i. Income tax	-	-
i. Sales tax / Octroi	1684.67	1,670.83
ii. Excise / customs	192.75	264.14
iii. Land rentals and license fees	293.96	238.92
iv. Employee Benefits/Demands (to the extent quantifiable)	57.28	52.44
v. Others	100.39	94.52
Total	2,329.05	2,320.85
Disputed demands / claims subject to appeals / representations filed against HPCL		
i. Sales tax / Octroi	0.77	0.77
ii. Excise / customs	2.83	-
ii. Employee benefits / demands (to the extent quantifiable)	93.94	338.84
iii. Claims against HPCL not acknowledged as debts	522.61	396.46
iv. Others	210.42	211.86
Total	830.57	947.93
	31.03.2022	31.03.2021
Guarantees given to Others	1236.59	1,896.52

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SECTION X SHARE CAPITAL

10.1 DETAILS OF SHARE CAPITAL AS AT QUARTER ENDED DECEMBER 31, 2022

Particulars	Amount
Authorized Equity Share Capital	Rs.2,499.25Crore
Issued Equity Share Capital (Note 1)	Rs.1,419.25 Crore
Subscribed Equity Share capital (Note 1)	Rs.1,419.25 Crore
Paid-Up Equity Share Capital (Note 1)	Rs.1,418.55 Crore
Securities Premium Account (Note 2)	Nil

Note 1: The Issuer had announced buy-back of its Equity Shares from the open market through stock exchange mechanism ("Buy-Back"). The Buy-Back had commenced on 17.11.2020. During the period from 17.11.2020 to 14.05.2021, the Issuer had bought back 10,52,74,280 Equity Shares and all such Equity Shares were extinguished as on date. With this, the Paid-Up Equity Share Capital of the Issuer was reduced from Rs.1,523.83 Crore (prior to the Buy-Back) to Rs.1,418.55 Crore as of 31.03.2022.

The difference between Issued and Subscribed Equity Share Capital and Paid-Up Equity Share Capital is on account of forfeiture of shares carried out by the Issuer during the Financial Year 2007.

Note 2: Since the present Issue comprises of issue of non-convertible debt securities at par, it shall not affect the paid-up equity share capital and securities premium of the Issuer after the Issue.

10.2 CHANGES IN THE CAPITAL STRUCTURE FOR LAST 3 (THREE) YEARS AS ON DECEMBER 31, 2022

Date of Change (AGM / EGM)	Rupees	Particulars
-	-	-

There has not been any change in the authorised share capital of the Issuer during the last 3 (Three) years.

10.3 EQUITY SHARE CAPITAL HISTORY FOR LAST 3 (THREE) YEARS AS ON DECEMBER 31, 2022

Date of Allotment / Extinguishment	No of Equity Shares	Face Value (Rs)	Issue Price (Rs)	Consideration (cash, other than cash, etc)	Nature of Allotment / Extinguishment	Cumulative			Remarks
						No of equity shares	Equity Share Capital (Rs)	Equity Share Premium (in Rs)	
My 14, 2021	10,52,74,280	10	NA	Cash	Extinguishment of shares on account of Buy-Back	1,41,85,48,345	14,185,483,450.00	-	Buy-Back

Note: The Issuer had announced buy-back of its Equity Shares from the open market through stock exchange mechanism ("Buy-Back"). The Buy-Back had commenced on 17.11.2020. During the period from 17.11.2020 to 14.05.2021, the Issuer had bought back 10,52,74,280 Equity Shares and all such Equity Shares were extinguished as on date. With this, the Paid-Up Equity Share Capital of the Issuer was reduced from Rs.1,523.83 Crore (prior to the Buy-Back) to Rs.1,418.55 Crore as of 31.03.2022.

10.4 DETAILS OF ANY ACQUISITION OR AMALGAMATION IN THE LAST 1 (ONE) YEAR PRIOR TO THE ISSUE OF THE PLACEMENT MEMORANDUM

No acquisition or amalgamation by the issuer in last 1 (One) year prior to issue of the Placement Memorandum.

10.5 DETAILS OF ANY REORGANIZATION OR RECONSTRUCTION IN THE LAST 1 (ONE) YEAR PRIOR TO ISSUE OF THE PLACEMENT MEMORANDUM

The Issuer has not undergone any reorganization or reconstruction in the last 1 (One) year prior to issue of the Placement Memorandum.



10.6 SHAREHOLDING PATTERN AS ON DECEMBER 31, 2022

There shall not be any change in the shareholding pattern of the Issuer following the Issue of Debentures. The shareholding pattern of the Issuer in the format pursuant to the SEBI (LODR) Regulations is set out in **Annexure VII** of this Placement Memorandum.

10.7 TOP TEN SHAREHOLDERS AND THE NUMBER OF EQUITY SHARES HELD BY THEM, AS ON DECEMBER 31, 2022

Sr. No	Name and category of shareholder *	Total no. of equity shares	No. of Shares in Demat Form	Total shareholding as % of total no. of equity shares **
1	OIL AND NATURAL GAS CORPORATION LIMITED	778845375	778845375	54.90
2	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAPOPPORTUNITIES FUND	70244924	70244924	4.95
3	LIFE INSURANCE CORPORATION OF INDIA	46395705	46395705	3.27
4	GOVERNMENT OF SINGAPORE	32676042	32676042	2.30
5	MIRAE ASSET LARGE CAP FUND	30869176	30869176	2.18
6	ICICI PRUDENTIAL MIDCAP FUND	21438015	21438015	1.51
7	HDFC LIFE INSURANCE COMPANY LIMITED	14073138	14073138	0.99
8	KOTAK EMERGING EQUITY SCHEME	11837738	11837738	0.83
9	DSP TAX SAVER FUND	11124982	11124982	0.78
10	JUPITER INDIA FUND	10508353	10508353	0.74

* Consolidated reporting basis PAN showing name of the folio which has the highest shareholding in the respective consolidation.

** Rounding off to two decimals.

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SECTION XI REGULATORY DISCLOSURES

11.1 ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/CREDIT QUALITY (E.G. ANY MATERIAL REGULATORY PROCEEDINGS AGAINST THE ISSUER/PROMOTERS, LITIGATIONS RESULTING IN MATERIAL LIABILITIES, CORPORATE RESTRUCTURING EVENT ETC) AT THE TIME OF ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST / CONTINUE TO INVEST IN THE NON-CONVERTIBLE SECURITIES

There has not been any material event or development or change having implications on the financials or credit quality (e.g. any material regulatory proceedings against the Issuer or Promoters, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of the Issue which may affect the Issue or the Eligible Investor's decision to invest or continue to invest in the Debentures.

11.2 ANY LITIGATION OR LEGAL ACTION PENDING OR TAKEN BY A GOVERNMENT DEPARTMENT OR A STATUTORY BODY DURING THE LAST THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF THE ISSUE OF PROSPECTUS AGAINST THE PROMOTER OF THE ISSUER

11.2.1 As the Government of India is a part of the Promoter Group of the Issuer, it is not possible to give details of litigations, legal actions or directions pending or taken by any Ministry or Department of the Government of India or a statutory authority against the Government of India during the last 3 (three) years.

11.2.2 ONGC, on a standalone basis, has claims in the nature of income tax, excise duty, custom duty, royalty, cess, A.P. Mineral Bearing Lands (Infrastructure) cess, sales tax, service tax, GST, octroi and other municipal taxes, specified land tax (Assam) and employees provident fund aggregating to Rs 30299.27 Crore , Rs. 26057.63 Crore and Rs. 24710.72 Crore in Financial Year 2022, Financial Year 2021 and Financial Year 2020 respectively. For further details, please see page 272 of ONGC's annual report for Financial Year 2021-22 (available at: <https://ongcindia.com/web/eng/annual-reports-2021-22>) and page 375 of ONGC's annual report for Financial Year 2020-21 (available at: <https://www.ongcindia.com/wps/wcm/connect/en/investors/annual-reports/annual-reports21>).

11.3 DETAILS OF DEFAULT AND NON-PAYMENT OF STATUTORY DUES

The Issuer has not defaulted on payment of any kind of statutory dues to the Government of India, state Government(s), statutory or regulatory bodies, authorities or departments.

11.4 PROJECT COST AND MEANS OF FINANCING, IN CASE OF FUNDING OF NEW PROJECTS

Not applicable as the proceeds of the Issue are not being utilized for a particular project.

11.5 PROJECT DETAILS: GESTATION PERIOD OF THE PROJECT; EXTENT OF PROGRESS MADE IN THE PROJECT; DEADLINES FOR COMPLETION OF THE PROJECT; THE SUMMARY OF THE PROJECT APPRAISAL REPORT (IF ANY), SCHEDULE OF IMPLEMENTATION OF THE PROJECT

Not applicable as the proceeds of the Issue are not being utilized for a particular project.

11.6 IF THE SECURITY IS BACKED BY A GUARANTEE OR LETTER OF COMFORT OR ANY OTHER DOCUMENT / LETTER WITH SIMILAR INTENT, A COPY OF THE SAME SHALL BE DISCLOSED. IN CASE SUCH DOCUMENT DOES NOT CONTAIN DETAILED PAYMENT STRUCTURE (PROCEDURE OF INVOCATION OF GUARANTEE AND RECEIPT OF PAYMENT BY THE INVESTOR ALONG WITH TIMELINES), THE SAME SHALL BE DISCLOSED IN THE PLACEMENT MEMORANDUM

Not Applicable as the Debentures are unsecured and not backed by a guarantee or letter of comfort or any other document / letter with similar intent.



11.7 ADDITIONAL DISCLOSURES PURSUANT TO FORM PAS 4

11.7.1 DETAILS OF DEFAULT, IF ANY, INCLUDING THEREIN THE AMOUNT INVOLVED, DURATION OF DEFAULT AND PRESENT STATUS, IN REPAYMENT OF (I) STATUTORY DUES; (II) DEBENTURES AND INTEREST THEREON; (III) DEPOSITS AND INTEREST THEREON; (IV) LOAN FROM ANY BANK OR FINANCIAL INSTITUTION AND INTEREST THEREON

The Issuer has not defaulted on payment of any kind of statutory dues to the Government of India, state Government(s), statutory or regulatory bodies, authorities or departments.

The Issuer has not defaulted in repayment of (i) debentures and interest thereon, (ii) deposits and interest thereon, or (iii) loan from any bank or financial institution and interest thereon.

11.7.2 ANY DEFAULT IN ANNUAL FILING OF THE ISSUER UNDER THE COMPANIES ACT OR RULES MADE THEREUNDER

There has been no default in annual filing of the Issuer under the Companies Act and the rules made thereunder.

11.7.3 ANY FINANCIAL OR OTHER MATERIAL INTEREST OF THE DIRECTORS, PROMOTERS OR KEY MANAGERIAL PERSONNEL IN THE ISSUE PROPOSED AND THE EFFECT OF SUCH INTEREST IN SO FAR AS IT IS DIFFERENT FROM THE INTERESTS OF OTHER PERSONS

Neither the Promoters, nor Directors nor any Key Managerial Personnel of the Issuer have any financial or other material interest in the Issue of Debentures.

11.7.4 KINDS OF SECURITIES OFFERED AND CLASS OF SECURITY; THE TOTAL NUMBER OF SHARES OR OTHER SECURITIES TO BE ISSUED

Single series of 1,65,000 (One Lakh Sixty Five Thousand) unsecured, listed, rated, taxable, non-cumulative, redeemable, non-convertible debentures, with 80,000 (Eighty Thousand) Debentures as a base issue and 85,000 (Eighty Five Thousand) Debentures as the green shoe option to retain oversubscription.

11.7.5 PRICE AT WHICH THE SECURITY IS BEING OFFERED INCLUDING THE PREMIUM, IF ANY, ALONGWITH JUSTIFICATION OF THE PRICE

Unsecured, listed, rated, taxable, non-cumulative, redeemable, non-convertible debentures at face value of Rs.1,00,000 (Rupees One Lakh) each, aggregating to Rs. 1650,00,00,000 (Rupees One Thousand Six Hundred Fifty Crore) from the Issue of Debentures, with a Base Issue Size of Rs. 800,00,00,000 (Eight Hundred Crore) and Green Shoe Option of Rs. 850,00,00,000 (Rupees Eight Hundred Fifty Crore).

11.7.6 NAME AND ADDRESS OF THE VALUER WHO PERFORMED VALUATION OF THE SECURITY OFFERED AND BASIS ON WHICH THE PRICE HAS BEEN ARRIVED AT ALONG WITH REPORT OF THE REGISTERED VALUER

Not applicable since the Debentures offered by the Issuer are unsecured.

11.7.7 RELEVANT DATE WITH REFERENCE TO WHICH THE PRICE HAS BEEN ARRIVED AT

Not applicable as the face value of the Debentures is at par.

11.7.8 THE CLASS OR CLASSES OF PERSONS TO WHOM THE ALLOTMENT IS PROPOSED TO BE MADE

The class of persons to whom the Allotment is proposed to be made are QIBs, Arranger (either on proprietary basis or otherwise), and any Non-QIB Investors which are specifically mapped by the Issuer on the BSE EBP Platform.



Individual investors are not permitted to subscribe to the Issue. All Investors are required to comply with the relevant regulations / guidelines applicable to them for investing in this Issue.

11.7.9 THE PROPOSED TIME WITHIN WHICH THE ALLOTMENT SHALL BE COMPLETED

The proposed Allotment shall be completed by the Deemed Date of Allotment being March 02, 2023.

11.7.10 THE CHANGE IN CONTROL, IF ANY, IN THE ISSUER THAT WOULD OCCUR CONSEQUENT TO THE PRIVATE PLACEMENT

Not applicable as the Debentures offered by the Issuer are in the nature of non-convertible debentures.

11.7.11 THE NUMBER OF PERSONS TO WHOM ALLOTMENT ON PREFERENTIAL BASIS/PRIVATE PLACEMENT/ RIGHTS ISSUE HAS ALREADY BEEN MADE DURING THE YEAR, IN TERMS OF NUMBER OF SECURITIES AS WELL AS PRICE

The details of allotments made on preferential basis or private placement or rights issue of securities during the Financial Year 2023, as at the date of this Placement Memorandum is set out below:

Description	Date of Allotment	Type of Allotment	No. of Persons	No. of securities	Price
7.81% HPCL Debentures 2022 – Series II	June 20, 2022	Private Placement	16	15000	10,00,000
7.12% HPCL Debentures 2022 – Series III	July 15, 2022	Private Placement	21	18000	10,00,000
7.64% HPCL Debentures 2022 – Series IV	November 04, 2022	Private Placement	25	25000	10,00,000
7.54% HPCL Debentures 2022– Series V	December 15, 2022	Private Placement	23	7500	10,00,000

No fresh allotment of Equity Shares was made by the Issuer during the last 1 (One) year preceding the date of this Placement Memorandum.

11.7.12 THE JUSTIFICATION FOR THE ALLOTMENT PROPOSED TO BE MADE FOR CONSIDERATION OTHER THAN CASH TOGETHER WITH VALUATION REPORT OF THE REGISTERED VALUER

Not applicable.

11.7.13 AMOUNT WHICH THE ISSUER INTENDS TO RAISE BY WAY OF SECURITIES

The Issuer intends to raise an amount aggregating to Rs. 1650,00,00,000 (Rupees One Thousand Six Hundred Fifty Crore) from the Issue of Debentures, with a Base Issue Size of Rs. 800,00,00,000 (Rupees Eight Hundred Crore) and Green Shoe Option of Rs. 850,00,00,000 (Rupees Eight Hundred Fifty Crore).

11.7.14 TERMS OF RAISING OF SECURITIES

Security Name	Coupon Rate (per annum)	Tenor	Quantum (Crore)	Mode of payment
7.74% HPCL Debentures 2023 – Series I	7.74% Fixed	5 years from the Deemed Date of Allotment	Rs. 1650 Crore (Rupees One Thousand Six Hundred Fifty Crore)	Designated Bank Account of ICCL

11.7.15 PROPOSED TIME SCHEDULE FOR WHICH THE PRIVATE PLACEMENT OFFER AND APPLICATION LETTER IS VALID



The Private Placement Offer Letter and Application Form is valid up to the Pay In Date, being March 2, 2023.

11.7.16 PURPOSES AND OBJECTS OF THE OFFER

Objects	Percentage
The funds raised through this Issue will be utilized for refinancing of existing borrowings and/or funding of capital expenditure of the Issuer, including recoupment of expenditure already incurred and/or for any other purpose in the ordinary course of business of the Issuer.	100%

11.7.17 PRINCIPAL TERMS OF ASSETS CHARGED AS SECURITY, IF APPLICABLE

Not applicable. The Debentures shall be unsecured in nature.

11.7.18 CONTRIBUTION BEING MADE BY THE PROMOTERS OR DIRECTORS EITHER AS PART OF THE OFFER OR SEPARATELY IN FURTHERANCE OF SUCH OBJECTS

There are no contributions being made by the Promoters or Directors either as part of the Issue or separately in furtherance of such objects.

11.7.19 THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE ISSUER AND ITS FUTURE OPERATIONS

As on the date of the Placement Memorandum there is no significant and material order passed by the regulator or court or tribunal which is impacting the going concern status of the Issuer.

11.7.20 THE PRE-ISSUE AND POST-ISSUE SHAREHOLDING PATTERN OF THE ISSUER

There will be no change in the shareholding pattern following the Allotment of the Debentures. The shareholding pattern of the Issuer as on December 31, 2022 is attached as **Annexure VII** to this Placement Memorandum.

11.7.21 DETAILS OF ANY INQUIRY, INSPECTIONS OR INVESTIGATIONS INITIATED OR CONDUCTED UNDER THE COMPANIES ACT, 2013 OR ANY PREVIOUS COMPANY LAW IN THE LAST THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF ISSUE OF THE PLACEMENT MEMORANDUM AND APPLICATION FORM IN THE CASE OF ISSUER AND ALL OF ITS SUBSIDIARIES, AND IF THERE WERE ANY PROSECUTIONS FILED (WHETHER PENDING OR NOT), FINES IMPOSED, COMPOUNDING OF OFFENCES IN THE LAST THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF THE PLACEMENT MEMORANDUM AND APPLICATION FORM AND IF SO, SECTION-WISE DETAILS THEREOF FOR THE ISSUER AND ALL OF ITS SUBSIDIARIES

There has been no inquiry, inspection or investigation initiated or conducted against the Issuer or any of its subsidiaries under the Companies Act or any previous company law in the last 3 (Three) years immediately preceding the year of circulation of the Placement Memorandum. There has not been any prosecution filed, fines imposed, or compounding of offences under the Companies Act or any previous company law, against the Issuer or its subsidiaries in the last 3 (Three) years immediately preceding the year of circulation of the Placement Memorandum.

11.7.22 DETAILS OF ACTS OF MATERIAL FRAUDS COMMITTED AGAINST THE ISSUER IN THE LAST THREE YEARS, IF ANY, AND IF SO, THE ACTION TAKEN BY THE ISSUER

There are no material frauds committed against the Issuer in the last 3 (Three) years immediately preceding the year of circulation of the Placement Memorandum.

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SECTION XII FINANCIAL INDEBTEDNESS

This Section XII (*Financial Indebtedness*) includes details of other borrowings (secured and unsecured loan facilities other than lease obligations), non-convertible debenture, particulars of debt securities issued for consideration other than cash or at a premium or discount or in pursuance of an option, top ten debenture holders, details of defaults.

12.1 SUMMARY OF OUTSTANDING STANDALONE BORROWINGS AS AT QUARTER ENDED DECEMBER 31, 2022

12.1.1 Long term borrowings as at quarter end dated December 31, 2022

Sr. No.	Category of Borrowing	Outstanding Amount (Rs. Crore)
1	Unsecured foreign currency loans	15,224.45
2	Unsecured foreign currency bonds	4,127.71
3	Secured domestic borrowings	75
4	Unsecured non-convertible debentures	17,698.33
5	Unsecured Bank Term Loan	9,300
	Total	46,425.49

12.1.2 Short term borrowings as at quarter end dated December 31, 2022

Sr. No.	Category of Borrowing	Outstanding Amount (Rs. Crore)
1	Unsecured short term foreign currency loans	3,839.38
2	Commercial paper	3,489.17
3	Secured short term domestic borrowings	2,726.64
4	Unsecured short term domestic borrowings	7,764.39
	Total	17,819.58

The figures of outstanding standalone borrowings as at quarter end dated December 31, 2022 are absolute.

12.2 DETAILS OF FOREIGN CURRENCY LOANS (UNSECURED)

12.2.1 Syndicated loans as at quarter end dated December 31, 2022

Lender Name	Type of Facility	Drawn Amount in USD Million	Loan Outstanding as on 31.12.2022 (Rs. Crores)	Repayment Date/ Schedule
Canara Bank, London	External commercial borrowing loan – working capital	250	2068.25	Bullet repayment on January 2, 2024
SBI, BOB, SMBC, UCO & SMTB	External commercial borrowing loan – 16	300	2470.66	Bullet Repayment on March 20, 2025
SBI and BOI	External commercial borrowing loan – 17	300	2459.88	Bullet repayment on March 5, 2026
SBI , BOB, Canara & FADB	External commercial borrowing loan – 18	450	3709.53	Bullet repayment on September 24, 2026
State bank of India and UCO Bank	External commercial borrowing loan – 19	300	2452.93	Bullet repayment on May 19, 2027
State bank of India, New York	External commercial borrowing loan – 20	250	2063.20	Bullet repayment on November 21, 2024
	Total	1850	15,224.45	

12.2.2 Foreign currency bonds as at quarter end dated December 31, 2022

Debenture Series	Tenor/ Period of Maturity	Coupon (%)	Amount Outstanding as on 31.12.2022 (Rs. Crores)	Deemed Date of Allotment	Redemption Date/ Schedule	Credit Rating
USD 500 Million Bonds	10 Years	4.00	4127.71	July 12, 2017	Bullet repayment on July 12, 2027	Moody's Baa3 (Stable Outlook), Fitch BBB- (Stable Outlook)



12.2.3 Short term foreign currency borrowing as at quarter end dated December 31, 2022

S. No	Lender's Name	Type of facility	Drawn Amount in USD Million	Loan Outstanding as on 31.12.2022 (Rs. Crores)	Repayment Date / Schedule
1	State Bank of India-Hongkong	Revolving Line of Credit	70	580.47	03-04-23
2	State Bank of India-Hongkong	Revolving Line of Credit	90	746.32	21-04-23
3	Punjab National Bank-Dubai	Revolving Line of Credit	15	124.39	12-06-23
4	Bank of India-Hongkong	Revolving Line of Credit	70	580.47	07-07-23
5	State Bank of India-Hongkong	Revolving Line of Credit	13	107.80	13-07-23
6	Punjab National Bank-Dubai	Revolving Line of Credit	25	207.31	18-07-23
7	Canara Bank-London	Revolving Line of Credit	30	248.77	03-10-23
8	Canara Bank-London	Revolving Line of Credit	50	414.62	04-11-23
9	Punjab National Bank-Dubai	Revolving Line of Credit	60	497.54	14-10-23
10	Punjab National Bank-Dubai	Revolving Line of Credit	40	331.70	22-10-23
			463	3,839.38	

12.3 DETAILS OF DOMESTIC BORROWINGS

12.3.1 Secured – long term borrowings as at quarter end dated December 31, 2022

S. No	Lender's Name	Loan	Type of facility	Amount Sanctioned (Rs Crores)	Amount Outstanding as on 31.12.2022 (Rs Crores)	Security Provided	Repayment Date/ Schedule
1	OIDB	Term Loan	Secured Loan	100	75	Note 1	4 equal annual instalments commencing from October 1, 2022
			Total	100	75		

Note 1: Security has been created with first charge on the facilities of Vizag Refinery Modernisation Project.

12.3.2 Unsecured Bank Term Loan – long term borrowings as at quarter end dated December 31, 2022

S. No	Lender's Name	Loan	Amount Sanctioned (Rs. Crores)	Amount Outstanding as on 31.12.2022 (Rs Crores)	Repayment Date/ Schedule
1	HDFC Bank Ltd.	Term Loan	28.50	14.25	2 equal annual instalments commencing from August 1, 2022
2	HDFC Bank Ltd.	Term Loan	21.50	10.75	2 equal annual instalments commencing from August 14, 2022
3	HDFC Bank Ltd.	Term Loan	375.00	250.00	3 equal annual instalments commencing from March 26, 2022
4	HDFC Bank Ltd.	Term Loan	75.00	50.00	3 equal annual instalments commencing from April, 23, 2022
5	HDFC Bank Ltd.	Term Loan	375.00	250.00	3 equal annual instalments commencing from May 20, 2022
6	HDFC Bank Ltd.	Term Loan	450.00	300.00	3 equal annual instalments commencing from August 20, 2022
7	HDFC Bank Ltd.	Term Loan	450.00	300.00	3 equal annual instalments commencing from November 20, 2022
8	HDFC Bank Ltd.	Term Loan	375.00	375.00	3 equal annual instalments commencing from February 20, 2023
9	State Bank of India	Term Loan	2500.00	2500.00	Bullet Repayment on April 05, 2025
10	HDFC Bank Ltd.	Term Loan	1750.00	1750.00	Bullet Repayment on September 06, 2025
11	HDFC Bank Ltd.	Term Loan	750.00	750.00	Bullet Repayment on September 14, 2025
12	HDFC Bank Ltd.	Term Loan	2000.00	2000.00	Bullet Repayment on October 28, 2025
13	HDFC Bank Ltd.	Term Loan	750.00	750.00	Bullet Repayment on December 30, 2025
			9900.00	9300.00	



12.3.2 Secured – short term borrowings as at quarter end dated December 31, 2022

S. No	Lender's Name	Type of facility	Amount Sanctioned (Rs Crores)	Amount Outstanding as on 31.12.2022 (Rs Crores)	Security Provided	Repayment Date/ Schedule
1	CCIL-TREPS	Triparty Repo	1,500.00	1420.00	Secured by Pledge of Government Securities 7.59%, 2026, 8.33%, 2026, 8.15%, 2026 & 7.72%, 2025	01.01.2023
2	Bank of India	Cash Credit / WCDL	200	201.06	Secured by Hypothecation of Stock in Trade	02.01.2023
3	Union Bank of India	Cash Credit / WCDL	700	703.70		18.01.2023
4	Punjab National Bank	Cash Credit / WCDL	400	402.12		15.03.2023
		Total		2,726.88		

12.3.3 Unsecured – short term borrowings as at quarter end dated December 31, 2022

S. No	Lender's Name	Type of facility	Amount Outstanding as on 31.12.2022 (Rs Crores)	Repayment Date/ Schedule
1	State Bank of India	Clean Loan	4,359.83	14 days & 90 days tenor
2	Union Bank of India	Clean Loan	1000.18	15.03.2023
3	Union Bank of India	Clean Loan	1000.18	16.03.2023
4	Bank of India	Clean Loan	804.2	02.01.2023
5	IDBI Bank	Clean Loan	600	16.02.2023
	State Bank of India		7,764.39	

12.5 COMMERCIAL PAPER ISSUED BY THE ISSUER (STANDALONE) AS AT QUARTER END DATED DECEMBER 31, 2022

The total face value of commercial papers outstanding as at December 31, 2022, is Rs. 3,500 Crores, set out below:

Date of Issue	Face Value Outstanding (Rs. in Crores)	Maturity Date	Credit Rating
19-Oct-22	1200	17-Jan-23	A1+
02-Nov-22	800	27-Jan-23	A1+
04-Nov-22	1500	13-Jan-23	A1+
Total	3500		

12.6 OTHER BORROWINGS (STANDALONE) (INCLUDING HYBRID DEBT LIKE FOREIGN CURRENCY CONVERTIBLE BONDS, OPTIONALLY CONVERTIBLE BONDS/ DEBENTURES/ PREFERENCE SHARES) AS AT QUARTER END DATED DECEMBER 31, 2022

The Issuer has not issued any hybrid debt like foreign currency convertible bonds, optionally convertible bonds or debentures or preference shares etc.



12.7 DETAILS OF NON-CONVERTIBLE DEBENTURES AS AT QUARTER END DATED DECEMBER 31, 2022

Particulars	Tenure / Period of Maturity	Coupon (%)	Amount in Rs. Crores	Issuance Date	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
8.00% HPCL Debentures 2019 – Series I	5 years	8.00%	500	4/25/2019	4/25/2024	CRISIL AAA/Stable IND AAA/Stable [ICRA] AAA/Stable	Unsecured	Not Applicable
7.00% HPCL Debentures 2019 – Series II	5 years	7.00%	2000	8/14/2019	8/14/2024	CRISIL AAA/Stable IND AAA/Stable [ICRA] AAA/Stable	Unsecured	Not Applicable
6.38% HPCL Debentures 2020- Series I	3 Years 2 months 14 Days	6.38%	600	1/28/2020	4/12/2023	CRISIL AAA/Stable IND AAA/Stable [ICRA] AAA/Stable	Unsecured	Not Applicable
7.03% HPCL Debentures 2020- Series II	10 Years 1 Month 6 Days	7.03%	1400	3/6/2020	4/12/2030	CRISIL AAA/Stable IND AAA/Stable [ICRA] AAA/Stable	Unsecured	Not Applicable
5.36% HPCL Debentures 2020- Series III	4 Years 8 Month 7 Days	5.36%	1200	8/4/2020	4/11/2025	CRISIL AAA/Stable IND AAA/Stable [ICRA] AAA/Stable	Unsecured	Not Applicable
4.79% HPCL Debentures 2020- Series IV	3 Years	4.79%	2000	10/23/2020	10/23/2023	CRISIL AAA/Stable IND AAA/Stable [ICRA] AAA/Stable	Unsecured	Not Applicable
6.63% HPCL Debentures 2021- Series I	9 Years 11 Month 4 Days	6.63%	1950	5/7/2021	4/11/2031	CRISIL AAA/Stable IND AAA/Stable [ICRA] AAA/Stable	Unsecured	Not Applicable
6.09% HPCL Debentures 2022- Series I	4 Years 11 Month 29 Days	6.09%	1500	2/28/2022	2/26/2027	CRISIL AAA/Stable IND AAA/Stable [ICRA] AAA/Stable	Unsecured	Not Applicable
7.81% HPCL Debentures 2022- Series II	09 Years 09 Month 24 Days	7.81%	1500	6/20/2022	4/13/2032	CRISIL AAA/Stable IND AAA/Stable [ICRA] AAA/Stable	Unsecured	Not Applicable
7.12% HPCL Debentures 2022- Series III	3 Years 15 days	7.12%	1800	7/15/2022	7/30/2025	CRISIL AAA/Stable IND AAA/Stable [ICRA] AAA/Stable	Unsecured	Not Applicable
7.64% HPCL Debentures 2022- Series IV	5 Years	7.64%	2500	11/04/2022	11/04/2027	CRISIL AAA/Stable [ICRA] AAA/Stable	Unsecured	Not Applicable
7.54% HPCL Debentures 2022- Series V	10 Years 4 Months	7.54%	750	12/15/2022	04/15/2033	CRISIL AAA/Stable [ICRA] AAA/Stable	Unsecured	Not Applicable
Total			17,700					

12.8 TOP 10 DEBENTURE-HOLDERS AS AT QUARTER END DATED DECEMBER 31, 2022

Sr. No.	Name of holder	Category	Face Value (Rs Crs.)	Holding of debt securities as a percentage of total debt securities outstanding of the issuer
1	CBT-EPF-05-F-DM	EPFO	2025	11.44%
2	CBT-EPF-05-E-DM	EPFO	1608.4	9.09%
3	STATE BANK OF INDIA	Bank	1185	6.69%
4	BHARAT BOND ETF - APRIL 2030	Mutual Fund	975	5.51%
5	BHARAT BOND ETF - APRIL 2025	Mutual Fund	835	4.72%
6	NPS TRUST- A/C LIC PENSION FUND SCHEME - STATE GOVT	NPS Trust	823.5	4.65%
7	CBT-EPF-11-E-DM	EPFO	729.7	4.12%
8	BHARAT BOND ETF - APRIL 2031	Mutual Fund	715	4.04%
9	NPS TRUST- A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - STATE GOVT	NPS Trust	694	3.92%
10	NPS TRUST- A/C LIC PENSION FUND SCHEME - CENTRAL GOVT	NPS Trust	476.5	2.69%

12.9 DETAILS OF ALL DEFAULTS AND/OR DELAY IN PAYMENTS OF INTEREST AND PRINCIPAL OF ANY KIND OF TERM LOANS, DEBT SECURITIES AND OTHER FINANCIAL INDEBTEDNESS INCLUDING CORPORATE GUARANTEE ISSUED BY THE ISSUER, IN THE PAST 3 (THREE) YEARS, UP TO DECEMBER 31, 2022

As on December 31, 2022, the Issuer has not defaulted of any term loans, debt securities and other financial indebtedness including corporate guarantees in the past 3 (Three) years.

12.10 DETAILS OF ANY OUTSTANDING BORROWINGS TAKEN OR DEBT SECURITIES ISSUED WHERE TAKEN OR ISSUED FOR CONSIDERATION OTHER THAN CASH, WHETHER IN WHOLE OR PART, AT A PREMIUM OR DISCOUNT, OR IN PURSUANCE OF AN OPTION AS ON DECEMBER 31, 2022



As on December 31, 2022, there are no outstanding borrowings or debt securities taken or issued by the Issuer for a consideration other than cash, whether in whole or in part, at a premium or discount or in pursuance of an option.

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SECTION XIII OBJECTS OF THE ISSUE

Objects of the Issue

100% of the funds raised through this issue will be utilized for, *inter alia*, refinancing of existing borrowings and/or funding of capital expenditure of the Issuer, including recoupment of expenditure already incurred and/or for any other purpose in the ordinary course of business of the Issuer.

The main objects of the Memorandum of Association of the Issuer enables it to undertake the activities for which the funds are being raised in the Issue. Further, the Issuer confirms that the activities we have been carrying out until now are in accordance with the objects specified in our Memorandum of Association.

The Issue proceeds shall be utilized in course of the Issuer's normal business activities and shall not be utilized in contravention of the regulations, guidelines, or circulars issued by the RBI, SEBI, RoC or the Stock Exchanges.

Utilization of Issue Proceeds

In terms of the NCS Regulations, there is no requirement for appointment of a monitoring agency in relation to the use of proceeds of the Issue. The Board (and its authorized delegates) shall monitor the utilisation of the proceeds of the Issue. The Issuer is managed by professionals under the supervision of its Board of Directors. Further, the Issuer is required to comply with all laws in relation to its sector, as well as those applicable to it under Indian laws and regulations. Therefore, the management of the Issuer shall ensure that the funds raised via this private placement shall be utilized only towards satisfactory fulfilment of the objects of the Issue.

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SECTION XIV DISCLOSURE PERTAINING TO WILFUL DEFAULT

Neither the Issuer, Promoter, nor any of the current Directors of the Issuer has been declared as wilful defaulter.

Name of bank declaring entity to be wilful defaulter	Year in which entity is declared as wilful defaulter	Outstanding amount at the time of declaration	Name of entity declared as wilful defaulter	Steps taken for removal from list of wilful defaulters	Other disclosures	Any other disclosures
None	Not Applicable	Not Applicable	Not Applicable	Not Applicable	None	None

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SECTION XV ISSUE PROCEDURE

The terms of the Issue are set out under Section XVI “*Summary Term Sheet*”. This section provides an overview of the Issue process and certain disclosures in respect of the Debentures and the Issue.

The Issuer proposes to issue the Debentures on the terms set out in the Placement Memorandum. The Debentures being offered pursuant to the Placement Memorandum are in accordance with the NCS Regulations, SEBI (LODR) Regulations, SEBI Operational Circular, BSE EBP Guideline, and the Memorandum and Articles of Association of the Issuer and other applicable laws.

Eligible Investors should check their eligibility under applicable law before making any investment. This section applies to only those QIBs, Arrangers (either on proprietary basis or otherwise), and any Non-QIB Investors specifically mapped to the Issue who are Eligible Investors as set out in Section XVI “*Summary Term Sheet*”. All Eligible Investors are required to make payment of the full application amount in accordance with the SEBI Operational Circular and BSE EBP Guideline.

The Placement Memorandum is neither a prospectus nor a statement in lieu of a prospectus, and neither is an offer or invitation under Section 42 of the Companies Act and a draft of the Placement Memorandum was uploaded on the BSE EBP Platform to comply with the SEBI Operational Circular and an offer was made to identified Investors which were issued a serially numbered and specifically addressed Private Placement Offer Letter and accompanying Application Form after completion of the electronic bidding, to successful Eligible Investors acceptable to the Issuer in accordance with the Companies Act.

15.1 GENERAL ISSUE RELATED INFORMATION

Issue Size

Private placement by the Issuer of unsecured, listed, rated, taxable, non-cumulative, redeemable, non-convertible debentures of face value of Rs. 1,00,000 each, for a Base Issue Size of Rs. 800,00,00,000 (Rupees Eight Hundred Crore) with Green Shoe Amount to retain oversubscription of Rs. 850,00,00,000 (Rupees Eight Hundred Fifty Crore), with a Total Issue Size of aggregating to Rs. 1650,00,00,000 (Rupees One Thousand Six Hundred Fifty Crore) on the terms and conditions as set out in this Placement Memorandum.

Confirmation On Eligibility

As on the date of the Placement Memorandum:

- (i) Neither the Issuer, nor any of its Promoters, Promoter group or Directors are debarred from accessing the securities market or dealing in securities by SEBI.
- (ii) None of the Promoters or directors of the Issuer is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by SEBI.
- (iii) None of the Promoters or Directors of the Issuer is a fugitive economic offender.
- (iv) No fines or penalties levied by SEBI or stock exchanges is pending to be paid by the Issuer as on the date of the Placement Memorandum.

Registration, GOI Approvals and Resolutions

The Issue is being made under NCS Regulations and applicable laws. The Issuer can undertake the activities proposed by it in view of the present approvals, and no further approval from any Government of India authorities is required by it to undertake the proposed activities save and except those approvals which may be required to be taken in the normal course of business from time to time.

The present Issue of Debentures is being made pursuant to:

- (i) the resolution passed by the Board dated December 15, 2022 and delegation provided thereunder, as set out in **Annexure V**; and
- (ii) the special resolution from shareholders obtained pursuant to section 180(1)(c) of the Companies Act on



August 30, 2022 to borrow funds, not exceeding Rs. 50,000 Crores over and above the aggregate of paid up share capital of the Issuer and its free reserve in accordance with its latest annual audited financial statement, apart from temporary loans, as set out in **Annexure VI**.

The aggregate amount of borrowings including the Debentures offered through this document are within the limits of borrowings mentioned above. The Issuer can issue the Debentures proposed by it in view of the present approvals and no further approvals in general from any Government of India authority are required by it to undertake the Issue.

Debenture Trustee for the Debenture Holder(s)

The Issuer has appointed IDBI Trusteeship Services Limited to act as debenture trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee have entered/intend to enter into a debenture trustee agreement and the debenture trust deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer to the extent of such payment made in respect of the said Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) regarding the Redemption Amount and Interest and it will take necessary action, subject to and in accordance with the debenture trustee agreement and the debenture trust deed. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so.

The Debenture Trust Deed will contain such clauses or be as near as possible as may be prescribed under Section 71 of the Companies Act, the rules made thereunder and Form SH 12. Further, in accordance with the NCS Regulations, the Debenture Trust Deed shall not contain any clause which has the effect of:

- (i) limiting or extinguishing the obligations and liabilities of the Debenture Trustee or the Issuer in relation to any rights or interests of the Debenture Holders,
- (ii) limiting or restricting or waiving the provisions of the Securities and Exchange Board of India Act, 1992, as amended, NCS Regulations and circulars or guidelines issued by SEBI,
- (iii) indemnifying the Debenture Trustee or the Issuer for loss or damage caused by their act of negligence or commission or omission.

Debenture Redemption Reserve

The Issuer shall comply with the provisions of the Companies Act, the rules made thereunder, in respect of the requirements of creation of DRR.

Recovery Expense Fund

The Issuer has created the recovery expense fund in accordance with the provisions of the SEBI circular number SEBI/ HO / MIRSD / CRADT / CIR / P / 2020/207 dated October 22, 2020, and has informed the Debenture Trustee about the same.

Minimum Subscription

As the current issue of Debentures is being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Issuer shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of the Base Issue Size or a certain percentage of the Base Issue Size.

Underwriting

The present Issue of Debentures is on private placement basis and is not underwritten.

Dematerialisation



The Issuer is issuing the Debentures only in the dematerialized form and hence there is no physical holding of the Debentures being issued in terms of the Placement Memorandum. The Issuer shall issue the Debentures in dematerialized form and has made necessary arrangements with NSDL and CDSL for the same and shall apply for the ISIN code for the Debentures.

Investors shall hold the Debentures in dematerialised form and deal with the same in accordance with the provisions of the Depositories Act and the rules as notified by NSDL and/or CDSL, from time to time. Investors should, therefore, mention their DP's name, DP's identification number and beneficiary account number at the appropriate places in the Application Form.

The Investor(s) has the option to hold the said Debentures in dematerialized or in physical form. Investors who have been allotted the Debentures in dematerialized form can convert the same to physical form later by applying for the same to the Issuer. However, trading in the Debentures shall be compulsorily in dematerialized form.

Registrar and Depository Arrangements

The Issuer has appointed Link Intime India Private Limited as Registrar for the Debentures. The consent letter of the Registrar is set out in **Annexure III**. The Issuer has made necessary depository arrangements with NSDL and CDSL issue and holding of Debentures in dematerialised form. In this context the Issuer has signed two tripartite agreements as set out below:

- (i) Tripartite agreement between the Issuer, Registrar and NSDL for offering depository option to Eligible Investors.
- (ii) Tripartite agreement between Issuer, Registrar and CDSL for offering depository option to Eligible Investors.

Documents To Be Submitted To The Stock Exchanges And The Debenture Trustee

The Issuer shall or will file the following documents along with the listing application to the Stock Exchanges and with the Debenture Trustee as required under the NCS Regulations:

- (i) The final placement memorandum;
- (ii) Memorandum of Association and Articles of Association of the Issuer;
- (iii) Copy of the requisite Board or committee resolutions authorizing the borrowing and list of authorised signatories for the allotment of Debentures;
- (iv) Copy of last 3 (three) years annual reports;
- (v) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (vi) An undertaking from the issuer stating that the necessary documents including the debenture trust deed has been / shall be executed within the time frame prescribed under applicable laws and it will be uploaded on the website of the Stock Exchanges; and
- (vii) any other particulars or documents that the stock exchange requires or deems fit.

15.2 ISSUE PROCESS

Who Can Apply?

The QIBs, Arrangers (either on proprietary basis or otherwise), and any Non-QIB Investors specifically mapped to the Issue who are Eligible Investors as specified in Section XVI "*Summary Term Sheet*" are eligible to apply for the Debentures. No Anchor investors for this issue.

Eligible Investors are advised to ensure that bid made by them do not exceed the investment limits that they are subject to under applicable statutory and/or regulatory provisions. Eligible Investors are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions or consents or approvals in connection with applying for or subscribing to the Debentures pursuant to the Issue.

All Applicants are required to comply with the relevant regulations/guidelines applicable to them for investing in the Issue in accordance with the norms approved by Government of India, RBI or any other statutory body from time to time, including but not limited to BSE EBP Guidelines as published by BSE on its website for investing in



this Issue. The contents of the Placement Memorandum and any other information supplied in connection with the Placement Memorandum are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced or disseminated by the recipient.

Who are not eligible to apply for Debentures?

The following categories of persons, and entities, shall not be Eligible Investors to participate in the Issue and any bids or applications from such persons and entities are liable to be rejected:

- (i) Individuals;
- (ii) Minors without a guardian name;
- (iii) Non-resident investors (other than FPIs); or
- (iv) Person ineligible to contract under applicable statutory or regulatory requirements.

However, out of the aforesaid class of investors eligible to invest, this Placement Memorandum is intended solely for the use of the person to whom it has been sent by the Issuer for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this Placement Memorandum from the Issuer).

Documents to be provided by Eligible Investors

To be able to bid under the BSE EBP Platform, Eligible Investors must have provided the requisite documents (including but not limited to KYC) in accordance with the SEBI Operational Circular and BSE EBP Guideline or applicable law or as requested by the Issuer. The Issuer is entitled at any time to require an Eligible Investor to provide any KYC or other documents as may be required to be maintained by it or delivered to a third party by it in accordance with applicable laws.

Application under Power of Attorney or by Eligible Investors

In case of Applications made under a power of attorney or by a company or a body corporate or registered society or mutual fund, and scientific and/or industrial research organizations or trusts etc., the relevant power of attorney or the relevant resolution or authority to make the Application, as the case may be, together with the certified true copy thereof along with the certified copy of the memorandum and articles of association and/or bye-laws, as the case may be, shall be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form, failing which the applications are liable to be rejected.

Procedure for Multiple Applications

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

How to Apply or Bid

Subject to applicable law, QIBs, Arrangers (either on proprietary basis or otherwise), and any Non-QIB Investors specifically mapped to the Issue which are Eligible Investors are permitted to apply and bid for the Issue.

Eligible Investors should refer the Operating Guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on the website of BSE. Eligible Investors will also have to complete the mandatory KYC verification process. Eligible Investors should refer to the SEBI Operational Circular and BSE Operational Guideline in this respect.

All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures. Without prejudice to the aforesaid, where the selection of the Eligible Investors is required to be done pursuant to Operating Guidelines, only those persons, who are registered on the BSE EBP Platform and are eligible to make bids for Debentures of the Issuer and who are Eligible Investors in terms of the



SEBI Operational Circular and BSE EBP Guideline shall be considered as “identified persons” for the purposes of Section 42 (2) of the Companies Act, to whom the Issuer shall make private placement of the Debentures and only such “identified persons” shall receive a direct communication from the Issuer with offer to subscribe to the Debentures and only such “identified persons” shall be entitled to subscribe to the Debentures.

All Eligible Investors are required to check and comply with applicable law(s) including the relevant rules or regulations or guidelines applicable to them for investing in this Issue of Debentures. Eligible Investors are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Eligible Investors ought to seek independent legal and regulatory advice in relation to the laws applicable to them. The Issuer is not in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

The Issue details shall be entered on the BSE EBP Platform by the Issuer at least 2 (two) Business Days prior to the Issue Opening Date, in accordance with the SEBI Operational Circular and BSE EBP Guideline.

The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer’s bidding announcement on the BSE EBP Platform, at least 1 (one) Business Day before the start of the Issue Opening Date.

Some of the key guidelines in terms of the current SEBI Operational Circular and BSE EBP Guideline on issuance of securities on private placement basis through an EBP mechanism, are as follows:

(i) **Modification of Bid**

Investors may note that modification of bid is allowed during the bidding period / window. However, in the last 10 (ten) minutes of the bidding period / window, revision of bid is only allowed for improvement of Interest or yield and upward revision of the bid amount placed by the Investor.

(ii) **Cancellation of Bid**

Investors may note that cancellation of bid is allowed during the bidding period / window. However, in the last 10 (ten) minutes of the bidding period or window, no cancellation of bids is permitted.

(iii) **Multiple Bids**

Investors may note that multiple bids are permitted. Multiple bids by the Arranger to the Issue are permitted to bid on a proprietary or consolidated basis. Arranger to the Issue can put multiple bids for same Investor provided the total of all bids entered is not more than 5% of the Base Issue Size or Rs. 100,00,00,000 (Rupees One Hundred Crore), whichever is lower.

(iv) **Manner of Bidding**

The Issue will be through closed bidding on the BSE EBP Platform in line with the BSE EBP Guideline and the SEBI Operational Circular.

(v) **Manner of Allotment**

The Allotment will be done on uniform yield basis in line with the BSE EBP Guideline and the SEBI Operational Circular.

(vi) **Manner of Settlement**

Settlement of the Issue will be done through ICCL and the account details are given in the section on Payment Mechanism of the Placement Memorandum.

(vii) **Settlement Cycle**

The process of pay-in of funds by investors and pay-out to Issuer will be done on T + 1 day, where T is the Issue Closing Date.



(viii) **Offer or Issue of executed Private Placement Offer Letter and Application Forms to successful Eligible Investors**

The signed copy of the Private Placement Offer Letter along with the Application Form was issued to the successful Eligible Investors, who have completed and submitted the Application Form to the Issuer to accept the offer of the Debentures.

No person other than the successful Eligible Investors to whom the Private Placement Offer Letter and Application Form has been issued by Issuer was permitted to apply for the Issue.

However, Eligible Investors should refer to the SEBI Operational Circular and BSE EBP Guideline as prevailing on the date of the bid.

Minimum Bid

The minimum bid lot shall be 1 Debentures having face value of Rs. 1 Lakhs and in multiples of Rs. 1 Lakhs thereafter.

Bids by the Arranger

The Arrangers, as mapped on BSE EBP Platform by the Issuer can bid on a proprietary, client and consolidated basis. At the time of bidding, the Arranger is required to disclose the following details to the BSE EBP Platform:

- (i) Whether the bid is proprietary bid or is being entered on behalf of an Eligible Investor or is a consolidated bid, i.e., an aggregate bid consisting of proprietary bid and bid(s) on behalf of Eligible Investors.
- (ii) For consolidated bids, the Arranger shall disclose breakup between proprietary bid and bid(s) made on behalf of Eligible Investors.
- (iii) For bids entered on behalf of Eligible Investors, the Arranger shall disclose the following:
 - (a) Names of such Eligible Investors
 - (b) Category of the Eligible Investors and
 - (c) Quantum of bid of each Eligible Investor.

Provided that the Arranger shall not be allowed to bid on behalf of any Eligible Investor if the bid amount exceeds 5% of the Base Issue Size or Rs. 100,00,00,000 (Rupees One Hundred Crore), whichever is lower (or such revised limits as may be specified in the SEBI Operational Circular and BSE EBP Guideline from time to time).

Withdrawal of Issue

The Issuer reserves the right to withdraw the Issue prior to the Issue Closing Date, at its discretion, and including but not limited to the event of any unforeseen development adversely affecting the economic and regulatory environment or any other force majeure condition including any change in applicable law, pursuant to the conditions set out under the SEBI Operational Circular and BSE EBP Guideline.

Further, the Issuer shall be permitted to withdraw from the Issue process on the following events:

- (i) The Issuer is unable to receive the bids up to the base Issue Size; or
- (ii) An Eligible Investor has defaulted on payment towards the Allotment, within stipulated timeframe, due to which the Issuer is unable to fulfil the base Issue Size; or
- (iii) The cut-off yield in the Issue (i.e. highest yield at which a bid is accepted) is higher than the estimated cut-off yield (i.e. the yield estimated by the Issuer, prior to the Issue Opening Date) disclosed to the EBP, where the Base Issue Size is fully subscribed.

If the Issuer has withdrawn the Issue pursuant to point (iii), where the cut-off yield of the Issue is higher than the estimated cut-off yield disclosed to the BSE EBP Platform, the estimated cut-off yield shall be mandatorily disclosed by the BSE EBP Platform to the Eligible Investors. The expression 'estimated cut off yield' means yield so estimated by the Issuer, prior to opening of issue on the BSE EBP Platform. The disclosure of estimated cut off yield by the BSE EBP Platform to the Eligible Investors, pursuant to closure of the Issue, shall be at the discretion of the Issuer.



Provided that the Issuer shall accept or withdraw the Issue on the BSE EBP Platform within 1 (one) hour of the closing of the bidding window, and not later than 6 (six) pm on the Issue Closing Date.

However, Eligible Investors should refer to the SEBI Operational Circular and BSE EBP Guideline prevailing on the date of the bid.

Determination of Interest Rate

The Interest rate will be decided based on bids received on the BSE EBP Platform.

Right to Accept or Reject Applications

The Issuer reserves its full, unqualified and absolute right to accept or reject the application, in part or in full, without assigning any reason thereof. The rejected Applicant will be intimated along with the refund warrant, if applicable. No interest on Application money will be paid on rejected Applications. The Application Form that is not complete in all respects is liable to be rejected and would not be paid any interest on the Application money.

For further instructions regarding the application for the Debentures, Eligible Investors are requested to read the instructions provided in the Application Form.

In the event, if any Debentures applied for is or are not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

Basis of Allocation

Allocation shall be made as approved by the Issuer in accordance with applicable SEBI regulations, SEBI Operational Circular, BSE EBP Guideline, and applicable laws. Post completion of bidding process, the Issuer will upload the provisional allocation on the BSE EBP Platform.

Post receipt of details of the successful Eligible Investors, the Issuer will upload the final allocation file on the BSE EBP Platform. At its sole discretion, the Issuer shall decide the amount of over subscription to be retained over and above the Base Issue Size.

Joint-Holders

Where two or more persons are holders of any Debenture(s), they shall be deemed to hold the same as joint tenants with benefits of survivorship in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of the existing equity shares of the Issuer, subject to other provisions contained in the Articles of Association of the Issuer.

Payment Mechanism

The payment shall be done through the electronic bidding process mechanism of the Securities Exchange Board of India and provided by the BSE and requiring payment to the designated account of ICCL ("**Designated Bank Account**"). Payment of subscription money for the Debentures should be made by the successful Eligible Investor as notified by the Issuer (to whom the Issuer has given the offer by issue of a serially numbered and specifically addressed Private Placement Offer Letter and Application Form). The details of the Designated Bank Account will be provided by BSE to the successful Eligible Investors separately and will also be available on the electronic bidding platform of the BSE.

The Designated Bank Accounts of the ICCL are set out below:

Bank	ICICI Bank
Beneficiary Name	INDIAN CLEARING CORPORATION LIMITED
Account Number	ICCLEB
IFSC Code	ICIC0000106
Mode	NEFT/RTGS



Bank	YES Bank
Beneficiary Name	INDIAN CLEARING CORPORATION LIMITED
Account Number	ICCLEB
IFSC Code	YESB0CMSNOC
Mode	NEFT/RTGS

Bank	HDFC Bank
Beneficiary Name	INDIAN CLEARING CORPORATION LIMITED
Account Number	ICCLEB
IFSC Code	HDFC0000060
Mode	NEFT/RTGS

Successful Eligible Investors should do the funds pay-in for the subscription amount to the Designated Bank Account by way of electronic transfer of funds through RTGS for credit on or before 10:30 a.m. on the Pay In Date (“**Pay In Time**”) in the Designated Bank Account of the ICCL. All payments must be made through RTGS to the Designated Bank Account, whose details are mentioned on the electronic bidding platform of the BSE.

Successful Eligible Investors should ensure to make payment of the subscription amount for the Debentures from their same bank account which is updated by them in the electronic bidding platform of the BSE while placing the bids. In case of a mismatch in the bank account details between electronic bidding platform of the BSE and the bank account from which payment is done by the successful Eligible Investor, the payment would be returned.

Note: In the event of failure of any successful Eligible Investor to complete the funds pay-in by the Pay In Time or the funds are not received in the Designated Bank Account by the Pay In Time for any reason whatsoever, the bid will liable to be rejected and the Issuer and/or the Arranger shall not be liable to the successful Eligible Investor. Funds pay-out on will be made by ICCL to the bank account of the Issuer.

Cheque(s), demand draft(s), money orders, postal orders will not be accepted. The entire amount of Rs. 1,00,000 (Rupees One Lakh) per Debenture is payable on application only through RTGS. Applications should be for the number of Debentures applied by the Eligible Investor.

PLEASE NOTE FOR APPLICANTS APPLYING THROUGH RTGS, THE NAME OF THE APPLICANT AND THE APPLICATION FORM NUMBER MUST BE INCLUDED IN THE RTGS INSTRUCTION SLIP FOR TRANSFER OF FUNDS.

Applications not completed in the manner required are liable to be rejected.

The date of subscription shall be the date of realisation of proceeds of subscription money in the Designated Bank Account, as listed above.

All successful Eligible Investors under the SEBI Operational Circular and BSE EBP Guideline will receive the executed version of the Private Placement Offer Letter and the Application Form. This Application Form will need to be completed and delivered to the Issuer with the relevant documents on the terms and within the timelines set out therein.

Signatures

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a bank or by a magistrate or notary public under his or her official seal.

Settlement Process

Upon final allocation by the Issuer, the Issuer or the Registrar on behalf of the Issuer shall instruct the Depositories on the Pay In Date, and the Depositories shall accordingly credit the allocated Debentures to the demat account of the successful Eligible Investor.



The Registrar shall provide corporate action file along with all requisite documents to Depositories by 12:00 p.m. on the Pay In Date. On the Pay In Date, the Depositories shall confirm to ICCL (clearing corporation of the BSE) the transfer of Debentures in the demat account(s) of the successful Eligible Investors. Upon confirmation from the Depository, the ICCL shall transfer funds to the bank account designated by the Issuer.

Post-Allocation Disclosures by the EBP

Upon final allocation by the Issuer, the Issuer shall disclose the Total Issue Size, Interest rate, ISIN, number of successful Eligible Investor, category of the successful Eligible Investor(s), etc., in accordance with the SEBI Operational Circular and BSE EBP Guideline. The BSE EBP Platform shall upload such data, as provided by the Issuer, on its website to make it available to the public.

Terms of Payment

The full-face value of the Debentures applied for is to be paid along with the Application Form as set out above.

Acknowledgements

No separate receipts will be provided by the Issuer for the Application money.

Deemed Date of Allotment

The cut-off date declared by the Issuer from which all benefits under the Debentures including Interest on the Debentures shall be available to the Debenture Holders is the Deemed Date of Allotment. The actual allotment of Debentures (i.e. approval pursuant to the delegation provided by the resolution of Board of Directors dated December 15, 2022) may take place on a date other than the Deemed Date of Allotment. The Issuer reserves the right to keep multiple allotment date(s)/deemed date(s) of allotment at its sole and absolute discretion without any notice. If in case, the Issue Closing Date changes (i.e. preponed/postponed), then the Deemed Date of Allotment may also be changed (preponed/ postponed) by the Issuer, at its sole and absolute discretion.

Letter(s) of Allotment/ Debenture Certificate(s)

The beneficiary account of the Investor(s) with NSDL or CDSL or Depository Participant will be given initial credit within 2 (two) days from the Deemed Date of Allotment. The initial credit in the account will be akin to a letter of Allotment. On completion of the all-statutory formalities, such credit in the account will be akin to a Debenture certificate.

Allotments or Refunds

Allotment of the Debentures shall be made in dematerialized form to the demat accounts in accordance with the details provided in the Application Form. Pending Allotment, all monies received for subscription of the Debentures shall be kept by the Issuer and be utilized only for the purposes permitted under the Placement Memorandum. In case no demat details are provided in the Application Form or such details are incomplete or insufficient, the Issuer reserves the right to hold the Application money until such details are provided accurately.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the Application money relating to the Debentures in respect of which allotments have been made, the Registrar shall upon receiving instructions in relation to the same from the Issuer repay the money to the extent of such excess, if any.

If any application is rejected in full, the whole of the Application money received, and if the application is rejected in part, the excess Application money, after adjustment of Application money if any, will be refunded to the Applicant in its bank account mentioned with Depositories. In the event the Registrar is unable to retrieve the Applicant's bank account details from the Depositories or is unable to credit the amount to the Applicant's bank account as above, the Issuer shall make the refund to the Applicant's bank account as mentioned in the Application Form. If no bank account details are provided on the Application Form, then refund through demand draft or pay order or bankers cheques or such other similar mode shall be dispatched by registered post or speed post.



However, the Issuer shall not be liable to pay any interest on any Application monies or refunds, except as required by applicable law.

Force Majeure

The Issuer reserves the right to withdraw the issue prior to the closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment. The Issuer reserves the right to change the Issue Schedule.

Interest on Application Money

The Companies Act requires the Issuer to pay interest on application money on failure to repay the application money in cases of non-allotment to subscribers, within 15 (fifteen) days from the 60th (sixtieth) day from the Pay-In Date. However, as the Issue is pursuant to the SEBI Operational Circular and BSE EBP Guideline, the Pay-In Date and the Deemed Date of Allotment fall on the same date, and accordingly payment of interest on application money is not required under law. Further, no interest on application money will be payable in case the Issue is withdrawn by the Issuer in accordance with the SEBI Operational Circular and BSE EBP Guideline.

Fictitious applications

Any person who makes, in fictitious name, any application to a body corporate for acquiring, or subscribing to, the Debentures, or otherwise induced a body corporate to allot, register any transfer of Debentures therein to them or any other person in a fictitious name, shall be punishable under the extant laws.

15.3 INSTRUMENT SPECIFIC PROVISIONS

Market Lot

The market lot will be 1 (one) Debenture. Since the Debentures are being issued only in dematerialized form, the odd lots will not arise either at the time of issuance or at the time of transfer of Debentures.

Trading of Debentures

The marketable lot for the purpose of trading shall be 1 (one) Debenture i.e. in denomination of Rs. 1 lakhs. Trading of Debentures will be permitted in dematerialised mode only and such trades shall be cleared and settled in recognized stock exchange(s) subject to conditions specified by SEBI. In case of trading in Debentures which has been made over the counter, the trades shall be executed and reported on a recognized stock exchange having a nation-wide trading terminal or such other platform as may be specified by SEBI.

Mode of Transfer of Debentures

Debentures shall be transferred subject to and in accordance with the rules or procedures as prescribed by the NSDL, CDSL or Depository Participant of the transferor and transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The provisions of the Depositories Act and the Companies Act, Memorandum of Association and Articles of Association shall apply for transfer and transmission of Debentures.

The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid or redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

Transfer of Debentures to and from NRIs or FPIs, in case they seek to hold the Debentures and are eligible to do so, will be governed by the then prevailing guidelines of RBI.

Default Interest



In accordance with Applicable Law, the Issuer is liable to pay additional interest (each, “**Default Interest**”) if the following events occur:

Delay in payment of Coupon and/or Redemption Amount: In accordance with Paragraph 1 of Chapter XVIII of the SEBI Operational Circular, in the event of default (which includes delay) in payment of Coupon and/or Redemption Amount on any Coupon Payment Date or Redemption Date, respectively, the Issuer shall pay additional interest of 2.00% (Two percent) per annum over the Interest Rate payable on the Debentures, on such amounts due, for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and up to but excluding the date on which such amount is actually paid.

Delay in Listing: In accordance with Paragraph 2 of Chapter VII of the SEBI Operational Circular, the Issuer shall complete all the formalities and seek listing permission from stock exchange(s) within 3 (Three) trading days from the Issue Closing Date. In the event of delay in listing of Debentures beyond 3 (Three) trading days from the Issue Closing Date, the Issuer shall pay, penal interest of 1.00% (One percent) per annum to the Debenture Holder(s), over the respective Interest Rate from the Deemed Date of Allotment until listing of Debentures in accordance with Paragraph 5 of Chapter VII of the SEBI Operational Circular.

Delay in execution of Trust Deed: In accordance with Regulation 18 (2) of the NCS Regulations, if the Issuer fails to execute the Debenture Trust Deed prior to listing of the Issue, the Issuer shall also pay penal interest of 2.00% (Two percent) per annum to the Debenture Holders, over and above the agreed Interest Rate, until the execution of the Debenture Trust Deed.

Effect of Holidays

If the Coupon Payment Date falls on a day that is not a Business Day, the payment of Coupon up to original scheduled date, will be made on the following Business Day, however the dates of the future Coupon payments will be in accordance with the schedule originally stipulated at the time of issuing the Debentures. However, the calculation for payment of Coupon will be only till the “Coupon Payment Dates” which would have been the case if “Coupon Payment Dates” were not a holiday.

If the Redemption Date (also being the last Coupon Payment Date) of the Debentures falls on a day that is not a Business Day, the Redemption Amount shall be paid by the Issuer on the immediately preceding Business Day along with Coupon accrued on the Debentures until but excluding the date of such payment.

If the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.

Record Date

The Record Date is the date falling 15 (Fifteen) days prior to the relevant Coupon Payment Date or the Redemption Date, as the case may be, on which any interest amount or principal amount respectively, is due and payable.

Tax Benefits

The Debenture Holders are advised to consider in their own case, the tax implications in respect of subscription to the Debentures after consulting their own tax advisor or counsel.

Deduction of Tax at Source

Debenture Holders should consult their own independent tax advisers to understand their positions. In addition, the Debenture Holders should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time. Therefore, the Debenture Holders are advised to consider the tax implications in respect of subscription to the Debentures and the requisite declaration forms to be submitted in consultation with their tax advisors.

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source from the Coupon. For seeking TDS exemption or lower rate of TDS, relevant tax exemption



certificate or declaration of non-deduction of tax at source on interest on application money, should be submitted along with the application form. Where any deduction of income tax is made at source, the Issuer shall send to the Debentureholder(s) a certificate of tax deduction at source. There will be no gross up for any amounts deducted as TDS.

Redemption

The Debentures will be redeemed at par on the Redemption Date. The Debentures will not carry any obligation, for interest or otherwise, after the Redemption Date. The Debentures held in the dematerialised form shall be taken as discharged on payment of the Redemption Amount by the Issuer on Redemption Date to the registered Debenture Holders whose name appear in the Register of Debenture Holders or Beneficial Owners in accordance with the list provided by the Depository(ies), on the Record Date. Such payment will be a legal discharge of the liability of the Issuer towards the Debenture Holders.

Settlement or Payment on Redemption

Payment on redemption will be made by way of cheque(s), redemption warrants(s), demand draft(s) or credit through RTGS/NEFT system or ECS in the name of the Debenture Holders whose name appear on the list of Beneficial Owners given by Depository to the Issuer as at the Record Date.

The Debentures shall be taken as discharged on dispatching the payment instrument towards payment of the redemption amount by the Issuer on maturity to the list of Beneficial Owners as provided by CDSL or NSDL or Depository Participant. Such payment will be a legal discharge of the liability of the Issuer towards the Debenture Holders. On such payment being made, the Issuer shall inform CDSL or NSDL or Depository Participant and accordingly the account of the Debenture Holders with CDSL or NSDL or Depository Participant shall be adjusted (debited).

The Issuer's liability to the Debenture Holders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due date of redemption in all events. Further the Issuer will not be liable to pay any interest or compensation after the date of redemption. On the Issuer dispatching or crediting the amount to the Beneficial Owners as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

Currency of Payment

All obligations under the Debentures including yield, are payable in Indian Rupees only.

List of Beneficial Owners or Register of Beneficial Owners

The Issuer shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be. The depositories shall maintain a register and an index of Beneficial Owners in the manner provided in relevant provisions of the Companies Act.

Debentureholder not a shareholder

The Debenture Holders will not be entitled to any of the rights and privileges available to the shareholders.

Modification of Rights

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with the consent, in writing, of those holders of the Debentures who hold at least three fourth of the outstanding amount of the Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the Debenture Holders, provided that nothing in such consent or resolution shall be operative against the Issuer where such consent or resolution modifies or varies the terms and conditions of the Debentures, if the same are not acceptable to the Issuer.

Right to further issue under the ISINs



The Issuer reserves right to effect multiple issuances under the same ISIN with reference to the SEBI Operational Circular. The Issue can be made either by way of creation of a fresh ISIN or by way of issuance under the existing ISIN at premium, par or discount as the case may be in line with the SEBI Operational Circular.

Right to Re-purchase, Re-issue or Consolidate the Debentures

Subject to applicable law (including the SEBI Operational Circular) as well as the Memorandum and Articles of Association, the Issuer has the right exercisable at its absolute discretion, to buyback or repurchase the Debentures at discount, at par, or premium, at any time prior to the Redemption Date.

This right does not constitute a call option.

The Debentures which are in dematerialized form, can be repurchased by the Issuer through its beneficiary dematerialised account in accordance with the rules prescribed by the relevant Depository.

Such Debentures may, at the option of the Issuer, be cancelled, held or resold at such a price and on such terms and conditions as the Issuer may deem fit and as may be permitted by applicable laws.

In the event of the Debenture(s) being bought back, or redeemed before maturity in any circumstance whatsoever, the Issuer shall be deemed to always have the right, subject to applicable law, to re-issue such debentures either by re-issuing the same debenture(s) or by issuing other debentures in their place.

The Issuer shall have right to consolidate the Debentures in accordance with applicable law.

Further, the Issuer, in respect of such bought back or repurchased Debentures shall have the power, exercisable either for a part or all of those Debentures, to cancel, keep alive, appoint nominee(s) to hold or re-issue at such price and on such terms and conditions as it may deem fit and in accordance with the SEBI Operational Circular and any applicable law.

Tax Implications to the Debenture Holders

The Debenture Holders are advised to consider in their own case, the tax implications in respect of subscription to the Debentures after consulting their own tax advisor/ counsel.

Consents

The consents in writing of Registrar of the Issue and the Debenture Trustee to act in their respective capacities have been obtained.

Future Borrowings

The Issuer may borrow or raise loans or avail financial assistance in whatever form and to issue debentures or bonds or notes or other securities in any manner with ranking as *pari-passu* basis or otherwise and to change its capital structure, including issue of shares of any class or redemption or reduction of any class of paid up capital on such terms and conditions as the Issuer may think appropriate subject to the fulfilment of the following conditions:

1. No default is subsisting and continuing under the transaction documents;
2. There is no violation of the provisions of the Transaction documents and SEBI Debt Regulations including the applicable provisions of Companies Act, 2013 and the rules made thereunder;

Ranking of Debentures

The Debentures are unsecured, listed, rated, taxable, non-cumulative, redeemable, non-convertible debentures. The Debentures shall rank *pari-passu* inter se and, subject to any obligations preferred by mandatory provisions of the law prevailing from time to time, shall also as regards repayment of principal and payment of interest, rank *pari-passu* with all other existing unsecured borrowings (except subordinated debt) of the Issuer.

Disputes and Governing Laws and Jurisdiction



The Debentures shall be construed to be governed in accordance with Indian laws and rules framed there under. The courts in Mumbai alone shall have exclusive jurisdiction in connection with any dispute or difference between the Issuer and the Beneficial Owners of Debentures under these presents.

Sharing of Information

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holders available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

The notices to the Beneficial Owners of Debentures required to be given by the Issuer shall be deemed to have been given if sent by registered post or speed post or courier or ordinary post to the registered Beneficial Owner of Debentures and/or if an advertisement is given in one all India English daily newspaper and one Hindi language daily national newspaper in Mumbai and/or if communication in this regard has been effected to the Depositories.

All notices to be given by the Beneficial Owners of Debentures shall be sent by registered post or courier or by hand delivery to the Registrar to the Issue or to such persons, at such address, as may be notified by the Issuer from time to time.

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SECTION XVI SUMMARY TERM SHEET

Security Name	7.74% HPCL Debentures 2023 – Series I
Issuer	Hindustan Petroleum Corporation Limited.
Type of Instrument	Unsecured, listed, rated, taxable, non-cumulative, redeemable, non-convertible debentures.
Nature of Instrument	Unsecured, listed, rated, taxable, non-cumulative, redeemable, non-convertible debentures.
Seniority	Unsecured, senior and unsubordinated debentures.
Eligible Investors	<p>A. ENTITIES WHICH ARE ELIGIBLE TO PARTICIPATE IN THE ISSUE</p> <p>1. Qualified Institutional Buyers</p> <p>Qualified institutional buyers (as defined under Regulation 2(1)(ss) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, which comprises of the following investors:</p> <ul style="list-style-type: none"> a mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor registered with the SEBI; foreign portfolio investor other than individuals, corporate bodies and family offices; a public financial institution; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority of India; a provident fund with minimum corpus of Rs. 25 Crore; a pension fund with minimum corpus of Rs. 25 Crore; National Investment Fund set up by resolution no. F.No.2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; insurance funds set up and managed by army, navy or air force of the Union of India; insurance funds set up and managed by the Department of Posts, India; and systemically important NBFCs. <p>2. Non QIBs</p> <p>An Eligible Investor that is not a QIB, and is specifically authorized by the Issuer under the BSE EBP Platform, which shall include but is not limited to the following:</p> <ul style="list-style-type: none"> companies; gratuity funds and superannuation funds; provident funds and pension funds with corpus of less than Rs. 25 Crore; societies; registered trusts; statutory corporations or undertakings established by central or state legislature authorized to invest in the Debentures; and any other investor authorized to invest in Debentures in accordance with applicable laws. <p>B. ENTITIES WHICH ARE NOT ELIGIBLE TO PARTICIPATE IN THE ISSUE</p> <p>The following categories of persons, and entities, shall not be eligible to participate in the Issue and any applications from such persons and entities are liable to be rejected:</p> <ul style="list-style-type: none"> individuals; minors without a guardian name; non-resident investors (other than FPIs); or person ineligible to contract under applicable statutory or regulatory requirements. <p>Applicants are also requested to refer the section on ‘Who Can Apply’ under Section XV (Issue Procedure) of the placement memorandum for the issue of Debentures (“Placement Memorandum”).</p>
Listing	Proposed to be listed on the debt market segment of National Stock Exchange Limited (“ NSE ”) and BSE Limited (“ BSE ”). The designated stock exchange is BSE.



	In the event that the Debentures are not listed on the debt market segment of the NSE and BSE within a period of 3 (Three) trading days from the Issue Closing Date, the Default Interest as set out in the row titled 'Default Interest' shall be payable by the Issuer.
Ratings of the Instrument	AAA/Stable by CRISIL and AAA/Stable by ICRA.
Base Issue Size	Rs. 800 Crores (Rupees Eight Hundred Crores).
Option to retain oversubscription / Green Shoe Amount	Rs. 850 Crores (Rupees Eight Hundred Fifty Crores).
Total Issue Size	Base Issue Size plus Green Shoe Amount, being Rs. 1650 Crores (Rupees One Thousand Six Hundred Fifty Crores).
Minimum Subscription	Not applicable as the issue is being made on a private placement basis.
Objects of the Issue	100% of the funds raised through this issue will be utilized for, <i>inter alia</i> , refinancing of existing borrowings and/or funding of capital expenditure of the Issuer, including recoupment of expenditure already incurred and/or for any other purpose in the ordinary course of business of the Issuer.
Details of the utilization of the Proceeds	Funding of refinancing of existing borrowings and/or funding of capital expenditure of the Issuer, including recoupment of expenditure already incurred and/or for any other purpose in the ordinary course of business of the Issuer
Coupon Rate / Interest Rate	7.74% per annum.
Step Up Coupon Rate	Not applicable.
Step Down Coupon Rate	Not applicable.
Coupon Payment Frequency	Annual.
Coupon Payment Dates	Coupon payment dates are set out in ' <i>Illustrated Cash Flows</i> ' in Section XVII.
Coupon Type	Fixed.
Coupon Reset Process	Not Applicable.
Day Count Basis	Interest shall be computed on an "actual/actual basis" in accordance with SEBI circular number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021, as amended (" SEBI Operational Circular "). Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis.
Business Day	The day (i) in respect of any payment of interest or principal, a 'working day' as defined in the SEBI NCS Regulations and shall be a day on which commercial banks in Mumbai are open for business (within the meaning of Chapter III of the SEBI Operational Circular); (ii) in respect of the announcement of bid/issue period, all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (iii) in respect of the time period between the bid date or issue closing date and the listing of the Debentures on the Stock Exchanges, all trading days of the Stock Exchanges for the Debentures, excluding Saturdays, Sundays and bank holidays, as specified by the SEBI; and, (iv) for any other purpose, a day other than a Saturday or a Sunday or a public holiday under Section 25 of the Negotiable Instruments Act, 1881, in Mumbai.
Record Date	The date which is 15 (fifteen) days prior to each Coupon Payment Date or Redemption Date, as the case may be.
Business Day Convention or Effect of Holidays	If the Coupon Payment Date falls on a day that is not a Business Day, the payment of Coupon up to original scheduled date, will be made on the following Business Day, however the dates of the future Coupon payments will be in accordance with the schedule originally stipulated at the time of issuing the Debentures. However, the calculation for payment of Coupon will be only till the "Coupon Payment Dates" which would have been the case if "Coupon Payment Dates" were not a holiday. If the Redemption Date (also being the last Coupon Payment Date) of the Debentures falls on a day that is not a Business Day, the Redemption Amount shall be paid by the Issuer on the immediately preceding Business Day along with Coupon accrued on the Debentures until but excluding the date of such payment. If the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.
Interest on Application Money	As the Pay-In Date and the Deemed Date of Allotment fall on the same date, interest on application money shall not be applicable. Further, no interest on application money will be payable in case the



	Issue is withdrawn by the Issuer in accordance with the SEBI Operational Circular and the BSE EBP Operating Guidelines.
Tenor	5 years from Deemed Date of Allotment.
Redemption Date	The Debentures shall be redeemed at par 5 years from Deemed Date of Allotment, on March 2, 2028. If the Redemption Date is not a Business Day, then the Redemption Date shall be arrived at in accordance with the Business Day Convention
Redemption Amount	Rs. 1,00,000 (Rupees One Lakh) per Debenture along with the Interest payable on the Redemption Date.
Redemption Premium / Discount	Not applicable.
Issue Price	Rs. 1,00,000 per Debenture.
Discount at which security is issued and the effective yield as a result of such discount	Not applicable.
Put Option	Not applicable.
Call Option	Not applicable.
Face Value	Rs. 1,00,000 per Debenture.
Minimum Application and in Multiples Thereafter	Application must be for a minimum size of 1 (One) Debenture and in multiples of 1 (One) Debenture thereafter.
Bidding Date	March 1, 2023.
Issue Opening Date	March 1, 2023.
Issue Closing Date	March 1, 2023.
Pay-in Date	March 2, 2023.
Deemed Date of Allotment	March 2, 2023.
Settlement Cycle	T + 1 days ('T' being the bidding date as set out above).
Bidding type	Closed bidding in accordance with the SEBI Operational Circular.
Allocation Option	Uniform yield.
Mode of Subscription	<p>Successful Eligible Investors are required to do the funds pay-in from their same bank account which is updated by them in the BSE EBP Platform while placing the bids and into the relevant designated bank account. In the event of mismatch in the bank account details between the BSE EBP Platform and the bank account from which payment is done by the successful Eligible Investor, the payment will be returned by the BSE EBP Platform. Payment should be made by the deadline specified by the BSE. A successful Eligible Investor should do the funds pay-in to the bank accounts of the Indian Clearing Corporation Limited as further set out under Section XV (<i>Issue Procedure</i>) of the Placement Memorandum.</p> <p>The settlement mechanism shall be through the Indian Clearing Corporation Limited.</p>
Depository	CDSL and NSDL
All covenants of the issue including in relation to breach of covenants (including side letters, accelerated clause etc.)	<p>In addition to those set out in the "<i>Summary Term Sheet</i>", the covenants in relation to the Issue of Debentures are as follows: (i) requirement to pay Redemption Amount, Interest and Default Interest; (ii) compliance with all applicable law; (iii) information will be provided as required under applicable law; (iv) addressing Debenture Holder grievances; (v) no restriction on further borrowings; (vi) enabling provisions for reissuance and consolidation; (vii) right of Debenture Trustee to inspect books of account, records, registers of the body corporate and the trust property to the extent necessary for discharging its obligations; (viii) transfer of Debentures to be in accordance with applicable laws; (ix) Debenture Holders are not entitled to shareholder's rights; (x) notification requirements of certain events such as change in the nature of main business, and any amalgamation, merger or reconstruction scheme.</p> <p>Negative covenants include: (i) no declaration or payment of dividend to shareholders unless payment of Redemption Amount or Interest has been made or a reasonably satisfactory provision, has been made for making such payment, and (ii) not inducting a person in the board of the Issuer who has been identified as a wilful defaulter.</p> <p>Further detailed covenants are set out in the Debenture Trust Deed.</p> <p><i>Side Letters:</i> The Issuer has not entered into any side letters containing separate covenants for the Debentures.</p>



	<i>Accelerated payment:</i> Subject to applicable law the Debentures can be accelerated on the occurrence of an 'Event of Default'. For further details, please refer to 'Events of Default'.
Default Interest Rate	<p>In accordance with Applicable Law, the Issuer is liable to pay additional interest (each, "Default Interest") if the following events occur:</p> <p><i>Delay in payment of Coupon and/or Redemption Amount:</i> In accordance with Paragraph 1 of Chapter XVIII of the SEBI Operational Circular, in the event of default (which includes delay) in payment of Coupon and/or Redemption Amount on any Coupon Payment Date or Redemption Date, respectively, the Issuer shall pay additional interest of 2.00% (Two percent) per annum over the Coupon Rate payable on the Debentures, on such amounts due, for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and up to but excluding the date on which such amount is actually paid.</p> <p><i>Delay in Listing:</i> In accordance with Paragraph 2 of Chapter VII of the SEBI Operational Circular, the Issuer shall complete all the formalities and seek listing permission from stock exchange(s) within 3 (Three) trading days from the Issue Closing Date. In the event of delay in listing of Debentures beyond 3 (Three) trading days from the Issue Closing Date, the Issuer shall pay, penal interest of 1.00% (One percent) per annum to the Debenture Holder(s), over the respective Interest Rate from the Deemed Date of Allotment until listing of Debentures in accordance with Paragraph 5 of Chapter VII of the SEBI Operational Circular.</p> <p><i>Delay in execution of Trust Deed:</i> In accordance with Regulation 18 (2) of the NCS Regulations, if the Issuer fails to execute the Debenture Trust Deed prior to listing of the Issue, the Issuer shall also pay penal interest of 2.00% (Two percent) per annum to the Debenture Holders, over and above the agreed Interest Rate, until the execution of the Debenture Trust Deed.</p>
Description regarding Security	Not applicable. The Debentures are unsecured.
Transaction Documents	<p>The Issuer has executed or shall execute the documents including but not limited to the following in connection with the Issue:</p> <ol style="list-style-type: none"> 1. Debenture trustee agreement. 2. Debenture Trust Deed. 3. Tripartite agreement between the Issuer, Registrar and NSDL for issue of Debentures in dematerialized form. 4. Tripartite agreement between the Issuer, Registrar and CDSL for issue of Debentures in dematerialized form. 5. Application to Stock Exchanges for seeking in-principle approval for listing of Debentures.
Conditions precedent to subscription of Debentures	<p>The subscription from Eligible Investors shall be accepted for allocation and allotment by the Issuer subject to the following:</p> <ol style="list-style-type: none"> 1. Rating letters not being more than one month old, and rating rationale not being more than 1 (One) year old, from the Issue Opening Date. 2. Consent of the Debenture Trustee. 3. Application to Stock Exchanges for seeking its in-principle approval for listing of Debentures.
Conditions subsequent to subscription of Debentures	<p>The Issuer shall ensure that the following documents are executed or activities are completed as per permissible time frame:</p> <ol style="list-style-type: none"> 1. Credit of demat account(s) of the allottee(s) by number of Debentures allotted within 2 (Two) Business Days from the Deemed Date of Allotment. 2. Making listing application to stock exchange(s) within 3 (Three) trading days from the closure of issue pursuant to the SEBI Debt Regulations. 3. Execution of Debenture Trust Deed within time frame prescribed in the relevant regulations or act or rules etc. and submitting the same with Stock Exchanges for uploading on its website in pursuance of the NCS Regulations. 4. The Issuer shall, until the redemption of Debentures, submit information to the Debenture Trustee and the Stock Exchanges as required under applicable laws. 5. Maintaining a complete record of private placement offers in Form PAS-5. 6. Filing a return of allotment of Debentures with complete list of all Debenture-holders in Form PAS-3 under Section 42(8) of the Companies Act, 2013, with the Registrar of Companies, Mumbai within 15 (fifteen) days of the Deemed Date of Allotment along with fee as prescribed. 7. Further, the Issuer shall perform all activities, whether mandatory or otherwise, as applicable.
Events of Default (Including manner of voting/conditions of joining Inter Creditor Agreement)	<ol style="list-style-type: none"> 1. <i>Default In Payment of Interest or Principal Amount:</i> Default has been committed by the Issuer in payment of any installment of Interest or Redemption Amount on the Debentures and the same is not a case of technical errors due to reasons beyond the control of the Issuer. 2. <i>Default in Performance of Covenants and Conditions:</i> Default has occurred in the performance of any other covenants, conditions or agreement on the part of the Issuer under the Debenture Trust Deed and any other Transaction Document (other than the obligation to pay the



	<p>Redemption Amount and Interest) and such default continues for 60 (sixty) days after written notice has been given thereof by the Debenture Trustee to the Issuer requiring the same to be remedied and the Issuer has not remedied the same within such period of 60 (sixty) days by performing such covenant, condition or provision.</p> <ol style="list-style-type: none"> <i>Supply of Misleading Information:</i> Any information given by the Issuer in its application to the Debenture Holders for financial assistance by way of subscription to the Debentures and the warranties given/deemed to have been given by the Issuer to the Debenture Holders or Debenture Trustee are misleading or incorrect in any material respect. <i>Inability to Pay Debts:</i> If the Issuer is unable to pay its debts as they become due. <i>Liquidation or Dissolution of the Issuer:</i> The Issuer has voluntarily become the subject of proceedings under any bankruptcy, insolvency or other similar law hereafter in effect, or an insolvency application has been admitted under the Insolvency and Bankruptcy Code 2016, as amended, by a national company law tribunal and has not been stayed within 30 (thirty) days of such order, or the Issuer is voluntarily or involuntarily dissolved and a court having jurisdiction or a receiver, liquidator, trustee, custodian, sequestrator or similar official of the Issuer has been appointed for taking possession of any substantial part of its property or has made any general assignment for the benefit of the creditors, or shall take any corporate action in furtherance of any of the above. <i>Issuer Ceases to Carry on Business:</i> When the Issuer without the consent of the Debenture Holders ceases to carry on its business or gives notice of its intention to do so. <i>Breach of Placement Memorandum:</i> When any breach of the terms of the Placement Memorandum inviting the subscriptions of Debentures or of the covenants of the Debenture Trust Deed is committed. <i>Order for Winding Up:</i> When an order has been made by the Tribunal or a special resolution has been passed by the members of the Issuer for winding up of the Issuer. <i>Extra-Ordinary Circumstances:</i> If extraordinary circumstances have occurred which have a material adverse effect on the Issuer's ability to fulfill its obligations under the Debenture Trust Deed. <p>Entry into by the Debenture Trustee or any Debenture Holder of any intercreditor arrangement under applicable law including, but not limited to, SEBI circular dated 13 October 2020 (circular number SEBI/HO/MIRSD/CRADT/CIR/P/2020/203) in relation to the standardisation of procedure to be followed by debenture trustees in case of default by issuers of listed debt securities, or any other intercreditor or inter-lender arrangements in connection with the Debentures shall be governed by the provisions of the Debenture Trust Deed.</p>
Creation of recovery expense fund	Recovery expense fund of Rs. 25 Lakh has been created by way of bank guarantee in favour of the BSE (as the designated stock exchange) in the manner as specified by SEBI from time to time and Debenture Trustee has been informed about the same. Recovery expense fund has been created as per the provisions of SEBI circular SEBI/HO/MIRSD/ CRADT/CIR/P/ 2020/207 dated 22nd October 2020 titled "Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund".
Provisions related to Cross Default Clause	Not Applicable.
Role and responsibilities of Debenture Trustee	The Debenture Trustee shall protect the interest of the Debenture Holders as set out in the Debenture Trust Deed and in the event of default by the Issuer in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fail to do so.
Risk factors pertaining to the issue	<p>In addition to the risk factors set out in Section VII (<i>Risk Factors</i>) of the Placement Memorandum, the risks relating to the Issue of Debentures are as follows:</p> <ol style="list-style-type: none"> There has been only a limited trading in the bonds of such nature and the price of the Debentures may be volatile subject to fluctuations. There is no guarantee that the Debentures will be listed on the Stock Exchanges in a timely manner or at all, or that monies refundable to Eligible Investors will be refunded in a timely manner. Eligible Investors may not be able to recover, on a timely basis or at all, the full value of outstanding amounts on the Debentures. Changes in interest rates may affect the price of the Debentures A downgrade in credit rating of the Debentures may affect the price of the Debentures. Credit ratings may not reflect all risks. Payments on the Debentures will be subordinated to certain tax and other liabilities preferred by law.
Debenture Trustee	IDBI Trusteeship Services Limited
Registrar	Link Intime India Private Limited



Governing Law and Jurisdiction	The Debentures are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of district courts of Mumbai.
Anchor Investors	No Anchor investors for this issue.

Note: The principal and Interest amount of the Debentures is unsecured. The recovery of 100% of the amount of the Debentures shall depend on the market scenario prevalent at the time of enforcement.

Under the SEBI Operational Circular, the second and fourth Saturday will not be considered as working days for the purpose of payment of the interest amount, call option amount or redemption amount.

If there is any change in Coupon Rate pursuant to any event then such new Coupon Rate and events which lead to such change shall be disclosed. The list of documents which has been executed in connection with the issue and subscription of Debentures are set out in Annexure I of the Placement Memorandum.

The Issuer has provided granular disclosures in Placement Memorandum, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "Object of the Issue" in Section XIII (Objects of the Issue) and Section XVI (Summary Term Sheet) of the Placement Memorandum.

The Issuer reserves its sole and absolute right to modify (prepone or postpone) the above Issue schedule without giving any reasons or prior notice. In such a case, Eligible Investors shall be notified of the revised time schedule by the Issuer. In the event the Issue Closing Date or Pay-In Date are changed (preponed or postponed), the Deemed Date of Allotment may also be changed (preponed or postponed) by the Issuer at its sole and absolute discretion. Consequent to change in Deemed Date of Allotment, the Coupon Payment Dates and/or Redemption Dates may also be changed at the sole and absolute discretion of the Issuer.

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SECTION XVII ILLUSTRATION OF CASH FLOWS

Issuer	Hindustan Petroleum Corporation Limited.
Face Value (per security)	Rs. 1,00,000.
Date of Allotment	March 2, 2023.
Redemption Date	March 2, 2028.
Tenor	5 years from Deemed Date of Allotment.
Coupon / Interest Rate	7.74% per annum.
First Interest Payment Date	March 2, 2024.
Frequency of the Interest Payment with specified dates	Annual. Interest payment dates are set out in 'Illustrated Cash Flows' in Section XVII.
Day Count Convention	Actual / Actual.

Pursuant to the SEBI Operational Circular, an illustration for guidance in respect of the day count convention and effect of holidays on payments is set forth in the table below.

Illustrated Cash Flows for 1 Debenture of Face Value Rs. 1,00,000.00 (Rs. 1 Lakhs)

Cash Flows	Original Coupon Payment Date	Modified Coupon Payment Date	No. of Days in Coupon Period	Amount (in Rs.)
1st Coupon	2-Mar-24	2-Mar-24	366	7,740
2nd Coupon	2-Mar-25	3-Mar-25	365	7,740
3rd Coupon	2-Mar-26	2-Mar-26	365	7,740
4th Coupon	2-Mar-27	2-Mar-27	365	7,740
5th Coupon	2-Mar-28	2-Mar-28	366	7,740
Redemption	2-Mar-28	2-Mar-28		1,00,000

Assumptions:

* Wherever the Coupon Payment Date and Redemption Date are falling on days which are not Business Days, the effect of holidays has been factored in under such cases.

* Coupon shall be computed on an "actual/actual basis" in accordance with the SEBI Operational Circular. Where the Coupon period (start date to end date) includes February 29, Coupon shall be computed on 366 days-a-year basis.

* If the date of payment of Coupon happens to be holiday, the Coupon payment will be made on the next succeeding Business Day. However, the calculation for payment of Coupon will be only till the "Coupon Payment Dates" which would have been the case if "Coupon Payment Dates" were not a holiday.

* If the Redemption Date (also being the last Coupon Payment Date) of the Debentures falls on a day that is not a Business Day, the Redemption Amount shall be paid by the Issuer on the immediately preceding Business Day along with Interest accrued on the Debentures until but excluding the date of such payment.

* The Coupon and/or Redemption Amount payment will be made on the best available information on holidays and could further undergo change(s) in the event of any scheduled and unscheduled holiday(s) and/or changes in money market settlement day conventions by the Reserve Bank of India or SEBI.

* Coupon payments will be rounded-off to nearest rupee in accordance with the FIMMDA 'Handbook on market practices'.

* In the event the Deemed Date of Allotment is revised (preponed or postponed) then the Coupon Payment Dates may also be revised preponed or postponed accordingly by the Issuer at its sole and absolute discretion.

* Payment of Interest and Redemption Amount shall be made by way of cheque(s) or demand draft(s) or RTGS or NEFT mechanism.

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SECTION XVIII DECLARATION

The Issuer undertakes that this Placement Memorandum contains full disclosures in conformity with Form PAS-4 under Section 42 of the Companies Act, Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 (as amended), and NCS Regulations.

It is hereby declared that:

- (i) the Issuer is in compliance with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, and Companies Act and the rules and regulations made thereunder.
- (ii) the compliance with the Companies Act and the rules does not imply that payment of interest or repayment of Debentures, is guaranteed by the central government of India.
- (iii) the monies received under the Issue shall be utilized only for the purposes and 'Objects of the Issue' indicated in the Placement Memorandum.
- (iv) whatever is stated in the Placement Memorandum and in the Annexures is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is in accordance with the original records maintained by the Promoter subscribing to the Memorandum of Association and Articles of Association of the Issuer.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to the Placement Memorandum.

I, Sujata Londhe, am authorized by the Board of Directors of the Issuer vide resolution dated December 15, 2022, to sign this Placement Memorandum and declare that all the requirements of Companies Act and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

For and on behalf of the Board of Directors

Sujata Londhe
Executive Director – Treasury
Place: Mumbai
Date: March 1, 2023

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SECTION XIX ANNEXURES

- A. **LIST OF DOCUMENTS FOR ISSUANCE AND SUBSCRIPTION OF DEBENTURES**
Annexed as Annexure – I
- B. **CONSENT LETTER, DUE DILIGENCE LETTER AND FEE LETTER OF DEBENTURE TRUSTEE**
Annexed as Annexure – II
- C. **CONSENT LETTER OF REGISTRAR**
Annexed as Annexure – III
- D. **CREDIT RATING LETTERS, PRESS RELEASES AND RATING RATIONALES**
Annexed as Annexure - IV
- E. **COPY OF BOARD RESOLUTION DATED DECEMBER 15, 2022**
Annexed as Annexure – V
- F. **COPY OF SHAREHOLDER RESOLUTION DATED AUGUST 30, 2022**
Annexed as Annexure – VI
- G. **SHAREHOLDING PATTERN AS ON DECEMBER 31, 2022**
Annexed as Annexure – VII
- H. **CONSOLIDATED AND STANDALONE FINANCIAL STATEMENTS OF THE ISSUER AS ON SEPTEMBER 30, 2022 AND DECEMBER 31, 2022.**
Annexed as Annexure – VIII
- I. **AUDITED CONSOLIDATED AND STANDALONE FINANCIAL STATEMENTS (PROFIT AND LOSS STATEMENT, BALANCE SHEET AND CASH FLOW STATEMENT) OF THE ISSUER FOR EACH OF THE FINANCIAL YEARS ENDED MARCH 31, 2022, MARCH 31, 2021, MARCH 31, 2020 AND AUDITORS REPORT**
Annexed as Annexure – IX
- J. **IN-PRINCIPLE APPROVAL LETTERS OF BSE AND NSE**
Annexed as Annexure – X

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Annexure – I

LIST OF DOCUMENTS FOR ISSUANCE AND SUBSCRIPTION OF DEBENTURES



SECTION XIX ANNEXURES

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Annexure – II

CONSENT LETTER, DUE DILIGENCE LETTER AND FEE LETTER OF DEBENTURE TRUSTEE

IDBI Trusteeship Services Ltd.

CIN : U65991MH2001GOI131154

Ref No. 2/ITSL/OPR/ CL/22-23/DEB/1217

February 21, 2023

Hindustan Petroleum Corporation Limited

PH - 5, 17 Jamshedji Tata Road,

Mumbai - 400 020

**Kind Attn: Mr. Manish Jagnani**

Dear Sir,

Subject: Consent to act as Debenture Trustee for the proposed issue of Listed, Unsecured, Redeemable Non-Convertible Debentures of INR 800 Crores plus INR 1000 Crore Green Shoe option aggregating to INR 1800 Crore (Rupees One Thousand Eight Hundred crores only) on private placement.

This is with reference to our discussion regarding appointment of IDBI Trusteeship Services Limited ("ITSL") as Debenture trustee for the proposed issue of Listed, Unsecured, Redeemable Non-Convertible Debentures (NCDs INR 800 Crores plus INR 1000 Crore Green Shoe option aggregating to INR 1800 Crore (Rupees One Thousand Eight Hundred crores only). In this connection, we confirm our acceptance of the assignment.

We are agreeable for inclusion of our name as Debenture Trustee in the disclosure document/ listing application/ any other document to be filed with the Stock Exchange(s) subject to the following conditions.

- 1) The Company hereby agree and undertake to execute, the Debenture Trust Deed / Debenture Trustee Agreement and other necessary documents on such terms and conditions as agreed by the Debenture holders and disclose in the Information Memorandum or Disclosure Document as approved by the Debenture Trustee, within a period as agreed by us in the Information Memorandum or Disclosure Document.
- 2) The Company hereby agree & undertakes to pay to the Debenture Trustee so long as they hold the office of the Debenture Trustee, remuneration as mutually agreed for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other Documents till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for redemption of NCDs in all respects, have been complied with.
- 3) The Company hereby agree & undertakes to comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI Circular No. SEBI/IMD/DOF-1/Bond/2009/11/05 dated 11/05/2009 on Simplified Listing Agreement for Debt Securities read with the SEBI Circular No. SEBI/IMD/DOF-1/BOND/Cir-5/2009 dated the 26th November, 2009, SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated 3rd November, 2020, SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2020/230 dated 12th November, 2020, the Companies Act, 2013 as amended from time to time and other applicable provisions and agree to furnish to Debenture Trustee such information in terms of the same on regular basis.

Looking forward to a fruitful association with you and assuring you of our best services at all times.

Yours faithfully,

For IDBI Trusteeship Services Limited


Authorised Signatory



IDBI Trusteeship Services Ltd.

CIN : U65991MH2001GOI131154

Ref No. 1/ITSL/OPR/ CL/22-23/DEB/1217

February 21, 2023

Hindustan Petroleum Corporation Limited

PH - 5, 17 Jamshedji Tata Road,

Mumbai - 400 020

**Kind Attn: Mr. Manish Jagnani**

Dear Sir,

Subject: Consent to act as Debenture Trustee for the proposed issue of Listed, Unsecured, Redeemable Non-Convertible Debentures of INR 800 Crores plus INR 1000 Crore Green Shoe option total aggregating to INR 1800 Crore (Rupees One Thousand Eight Hundred crores only) on private placement.

This is with reference to our discussion regarding appointment of IDBI Trusteeship Services Limited ("ITSL") as Debenture trustee for the proposed issue of Listed, Unsecured, Redeemable Non-Convertible Debentures of INR 800 Crores plus INR 1000 Crore Green Shoe option total aggregating to INR 1800 Crore (Rupees One Thousand Eight Hundred crores only) on private placement.

At the request of the issuer company, we indicate our trusteeship remuneration for the said assignment as follows:

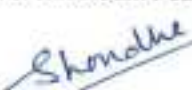
Charge heads	Terms
Acceptance fees	INR 3,30,000/- plus applicable GST (One-time payment, payable upfront and non-refundable)
Service charges	INR 4,50,000/- plus applicable GST. First such payment would become payable on the date of allotment (DOA) for the pro-rata period from DOA till March 31, 2023; thereafter the service charges shall be payable on an annual basis in advance on April 1 every year till the redemption of debentures in full.
Delay payment charges	In case the payment of service charges are not received within a period of 30 days from the date of the bill, ITSL reserves the right to charge "delayed payment charges" @ 12% p.a. on the outstanding amount.
Out of pocket expenses & statutory dues	Would be reimbursable on actual basis within 30 days of the claim.
Validity	This consent letter is valid for a period of three (3) days from the date of this letter and shall stand automatically cancelled/ revoked/ withdrawn without any further communication/ reference to the issuer company unless otherwise revalidated by us. This consent letter shall not be construed as giving rise to any obligation on the part of ITSL to act as debenture trustee unless the issuer company communicates acceptance to ITSL within 3 days from the date of issuance of this letter and the issuer company also executes trusteeship documents.
Reset clause	Fees/ charges would not be revised till the redemption in full, of all tranches of debentures issued under this arrangement.
Any enforcement consequent to the event of default ("EOD") would attract separate charges	

Assuring you of our best services at all times.

Yours faithfully,
For IDBI Trusteeship Services Limited


(Authorised Signatory)

We accept the above terms
For Hindustan Petroleum Corporation Limited


(Authorised Signatory)



NOTE: As per recent GST guidelines, ITSL would be required to pay the applicable GST on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.

Ref. No. 1/ITSL/OPR/2022-2023

February 22, 2023

To, National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1, G. Block, Bandra-Kurla Complex, Mumbai – 400 051.	To, BSE Limited 25th Floor, P.J. Towers, Dalal Street, Mumbai – 400 001
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Dear Sir/Madam,

REF: DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT OR INFORMATION MEMORANDUM

SUB.: ISSUE OF UP TO INR 800,00,00,000/- (Eight HUNDRED CRORES ONLY) PLUS GREENSHOE OPTION OF INR RS. 10,00,00,00,000/- (ONE THOUSAND CRORES ONLY) AGGREGATING TO RS. 18,00,00,00,000/- (RUPEES ONE THOUSAND EIGHT HUNDRED CRORE ONLY) ("DEBENTURES") UNSECURED, RATED, AND LISTED NON-CONVERTIBLE DEBENTURES, ("ISSUE") EACH HAVING A FACE VALUE OF INR 1,00,000/- (RUPEES ONE LAKH ONLY) IN DEMATERIALISED FORM, ON A PRIVATE PLACEMENT BASIS BY HINDUSTAN PETROLEUM CORPORATION LIMITED.

We, the debenture trustee(s) to the above mentioned forthcoming issue state as follows:

1. We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
2. On the basis of such examination and the discussions with the issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

WE CONFIRM that:

- a) All disclosures made in the offer document with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.
- b) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), in the offer document.
- c) Issuer has given an undertaking that debenture trust deed shall be executed before filing of listing application.

Note:- The NCD Issue of Hindustan Petroleum Corporation Limited is unsecured and there is no security proposed to be created for the said Unsecured NCDs, as disclosed by the Issuer in its Information Memorandum.

Yours Truly,

For IDBI Trusteeship Services Limited



Authorized Signatory

Place: Mumbai

Date: February 22, 2023





Annexure – III

CONSENT LETTER OF REGISTRAR



Link Intime India Pvt. Ltd.
CIN : U67190MH1999PTC118368
C- 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083.
Tel. : +91 22 4918 6000
Fax : +91 22 4918 6060
E-mail : mumbai@linkintime.co.in
Website : www.linkintime.co.in

Date : 20.02.2023

To.
Hindustan Petroleum Corporation Limited
Petroleum House,
17, Jamshedji Tata Road, Churchgate,
Mumbai- 400020

Dear Sir/Madam,

Sub.: Consent to act as Registrar to the Proposed issue of "Unsecured, redeemable, non-convertible, non-cumulative taxable debentures" Of Face Value Of Rs. 1 Lakh Each For Cash At Par Aggregating To Rs. 1800 Crores to be issued on private placement basis.

We refer to the subject issue and hereby accept our appointment as 'Registrar' for Electronic Connectivity Provider to issue of "Unsecured, redeemable, non-convertible, non-cumulative taxable debentures Of Face Value Of Rs. 1 Lakh Each For Cash At Par Aggregating To Rs. 1800 Crores and give our consent to incorporate our name as "Registrar to the Issue" in the offer documents.

Our Permanent SEBI Registration No.: INR000004058.

Thanking You.

Yours faithfully,

For Link Intime India Pvt Ltd.


Ganesh Jadhav

Asst. Vice President - Depository Operations



Annexure - IV

CREDIT RATING LETTERS, PRESS RELEASES AND RATING RATIONALES

CONFIDENTIAL

RL/HINPETR/300858/NCD/0822/41975/117711465/2

February 16, 2023

Ms. Sujata Londhe

Executive Director- Treasury

Hindustan Petroleum Corporation Limited

17, Jamshedji Tata Road

Churghgate

Mumbai City - 400020

Dear Ms. Sujata Londhe,

Re: CRISIL Rating on the Rs.10000 Crore Non Convertible Debentures of Hindustan Petroleum Corporation Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated November 01, 2022 bearing Ref. no:

RL/HINPETR/300858/NCD/0822/41975/117711465/1

Please find in the table below the rating outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Non Convertible Debentures	10000	CRISIL AAA/Stable

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,



Ankit Kedia

Associate Director - CRISIL Ratings



Nivedita Shibu

Associate Director - CRISIL Ratings



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CRISIL Ratings Limited
A subsidiary of CRISIL Limited, an S&P Global Company
Corporate Identity Number: U67100MH2019PLC326247

Ratings

CRISIL Ratings Limited (A subsidiary of CRISIL Limited)



Rating Rationale

December 06, 2022 | Mumbai

Hindustan Petroleum Corporation Limited

Rating Action

Total Bank Loan Facilities Rated	Rs.50000 Crore
Long Term Rating	CRISIL AAA/Stable
Short Term Rating	CRISIL A1+

Fixed Deposits	CRISIL AAA/Stable
Rs.10000 Crore Non Convertible Debentures	CRISIL AAA/Stable
Rs.3000 Crore Non Convertible Debentures	CRISIL AAA/Stable
Rs.2000 Crore Non Convertible Debentures	CRISIL AAA/Stable
Rs.2500 Crore Non Convertible Debentures	CRISIL AAA/Stable
Rs.6000 Crore Non Convertible Debentures	CRISIL AAA/Stable
Rs.4000 Crore Non Convertible Debentures	CRISIL AAA/Stable
Rs.25000 Crore Commercial Paper	CRISIL A1+

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings rating on the bank facilities, non-convertible debentures (NCDs) and other debt programmes of Hindustan Petroleum Corporation Limited (HPCL) continues to reflect HPCL's established retail network and branding initiatives and its comfortable operating efficiency. In fiscal 2022, revenues grew by 49% on a y-o-y basis, to Rs. 348428 crore, led by pickup in demand and a low base effect. Improvement in product spreads, an uptake in demand and rising crude oil prices, led to a rise in overall gross refining margin (GRM) for the company, which improved to \$7.19/bbl (barrel) in fiscal 2022 from \$ 3.86/bbl in fiscal 2021. However, operating performance was adversely impacted in the first quarter of fiscal 2023 despite significant improvement in GRM because of significant rise in crude oil prices, which could not be passed on to customers, leading to the marketing margin taking a hit. GRM significantly improved to \$16.69/bbl in the first quarter of fiscal 2023.

These strengths are however partially offset by exposure to project implementation risks and inherent volatility in the operating profitability, owing to fluctuations in input prices.

HPCL remains strategically important to the Government of India (GoI), given the role it plays in India's economic development. The ratings, therefore, continue to reflect HPCL's strategic importance and expectation of continued support from GoI and parent Oil and Natural Gas Corporation (ONGC).

Analytical Approach

For arriving at the ratings, CRISIL Ratings has combined the business and financial risk profiles of HPCL and its subsidiaries and joint ventures (JVs). The subsidiaries have been fully consolidated, while the JVs have been proportionately consolidated. The subsidiaries and JVs are strategically important to HPCL as they reduce dependence on other refiners to source products for retail operations. Furthermore, the ratings factor in support received from the government, with managerial control and majority ownership through ONGC, a public sector undertaking of GoI.

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description

Strengths:

Strategic importance of HPCL and continued support from GoI: The oil refining and marketing activity is strategic for India's economic development. Oil marketing companies (OMCs) dominate the domestic market for key petroleum products such as motor spirits, high-speed diesel, superior kerosene oil (SKO) and liquefied petroleum gas (LPG). Uninterrupted supply of these products is contingent on smooth operations of OMCs, such as HPCL. The company would, therefore, remain strategically important to GoI, and continue to play a key role in implementing the government's socio-economic policies.

Established position in the oil refining and marketing sector: HPCL has a refining capacity share of 10.8%, and owns 21% of India's petroleum product pipelines. The coastal location of the refineries provides logistical advantages for the import of crude oil and export of petroleum products. Both refineries, Mumbai and Vishakhapatnam, have maintained healthy energy consumption levels. Market position is underpinned by an entrenched marketing and distribution infrastructure, with 18,634

retail outlets. The company had a network of 6,243 LPG distributors as on March 2022. Furthermore, aggressive branding and marketing exercises have been undertaken to expand the retail network. These initiatives should help maintain the strong brand position in the Indian petroleum market.

Weaknesses:

Exposure to project implementation risk, given the large investment plans: The company is undertaking several projects, including modernization and capacity expansion at the Mumbai and Visakhapatnam refineries, setting up a greenfield refinery in Barmer, Rajasthan, modernisation and augmentation of the pipeline infrastructure, and expansion in the natural gas sector. HPCL's experience in implementing and operating large projects should hold the company in good stead. Nevertheless, project cost and timelines, and stabilisation of operations after completion will continue to be key monitorables. Consolidated gearing has however improved modestly to around 1.1 times as on March 31, 2022, from 1.2 times as on March 31, 2021, led by improved cash accruals and limited incremental debt drawdowns. Gearing is expected to remain to around 0.9 time as on March 31, 2023. Going forward, degree of reliance on debt to meet capital expenditure (capex) needs for the company will remain a key monitorable.

Susceptibility to volatility in crude oil prices: Crude oil prices have been volatile over the past few years. Prices which fell sharply to around USD 20 per barrel (bbl.) towards end of March 2020, subsequently recovered to its pre-pandemic levels wherein it averaged at around USD 64 per bbl. by end of fiscal 2021. The ongoing geo-political tensions have again elevated the crude oil prices to above \$100/bbl. Average inventory of crude oil and finished goods of around 50 days, makes HPCL's operating performance vulnerable to fluctuations in valuations of inventory stock. HPCL imports around 78% crude oil requirement, and thus remains susceptible to volatility in the rupee-dollar exchange rate, and a corresponding increase in value of imports. HPCL compensates these volatilities through marketing margins and their ability to do so will remain a key monitorable.

Liquidity: Superior

HPCL, a Maharatna company, has strong financial flexibility, driven by support from the GoI. The company's portfolio of oil bonds, large unutilised bank limit, and access to low-cost funds from both domestic and overseas markets can help raise resources when needed. Capital expenditure of Rs 14,000 crore in fiscal 2023 is likely to be met through internal accruals and external borrowings. As on March 31, 2022, the company has GoI bonds of ~ Rs 5372 crore as liquid investments.

Environment, social, and governance (ESG) profile

CRISIL Ratings believes the Environment, Social and Governance (ESG) profile of HPCL supports its already strong credit risk profile, which benefits from support from GoI.

The oil and gas sector has a significant impact on the environment due to the high carbon emissions of refineries and petrochemical plants. HPCL has focused continuously on minimising its environmental and social impact.

Key ESG highlights:

- HPCL has set a goal of 'zero accidents' and 'zero damage' to the environment.
- To align with its goal, the company has undertaken various energy efficiency projects. Between fiscals 2019 and 2021, specific energy consumption reduced more than 8% while GHG emissions reduced around 13% at the Anantapur LPG plant.
- To increase consumption of renewable energy, HPCL has installed captive solar power capacity of 11.4 MWp across various locations, taking total solar power capacity to 43.95 MWp.
- To achieve its 'zero accidents' goal, health safety and environment management systems have been put in place at all locations. The average LTIFR (loss time injury frequency rate) of 0.06 during fiscals 2018-2021 is, however, higher compared with peers.
- HPCL's governance structure is characterised by 20% of the board comprising independent directors (none of them having tenure exceeding 10 years), split in chairman and CEO positions, dedicated investor grievance redressal mechanism and healthy disclosures.

There is growing importance of ESG amongst investors and lenders. The commitment of HPCL to ESG principles will play a key role in enhancing stakeholder confidence, given the moderate share of market borrowing in debt and access to both domestic and foreign capital markets.

Outlook: Stable

CRISIL Rating believes HPCL will continue to benefit from its established market position in the oil refining and marketing sector, and support from the GoI owing to its strategic and economic importance.

Rating Sensitivity factors

Downward factors

- Change in the support philosophy of GoI
- Reduction in ONGC's shareholding below 50%
- Higher-than-expected and sustained deterioration in HPCL's standalone performance

About the Company

HPCL was established in 1974 following the nationalisation and amalgamation of Esso Eastern Inc and Lubes India Ltd with the takeover of Caltex Oil Refining (India) Ltd. In January 2018, ONGC acquired 51.11% stake in HPCL from GoI.

HPCL is an integrated refining and marketing company. It has substantial oil marketing operations, and is the third-largest oil refining and marketing company in India. It operates a refinery in Mumbai, which has installed capacity of 7.5 MTPA, and a refinery in Visakhapatnam with installed capacity of 8.3 MTPA; these refineries account for 6.3% of the country's total installed capacity. The company had undertaken capacity expansion by 2 MTPA at its Mumbai refinery which was completed in fiscal 2022, while capacity expansion by 6.7 MTPA at its Visakh refiner is expected to be completed by fiscal 2023.

The company also has an 11.3 MTPA refinery in Bathinda, Punjab, through a JV with Singapore-based Mittal Energy Investments Pvt Ltd. HPCL is setting up a grass-root greenfield refinery-cum-petrochemical complex, with capacity of 9 MTPA in Barmer through HPCL Rajasthan Refinery Ltd ('CRISIL AA/Stable'), a JV with the Government of Rajasthan. HPCL has a wide distribution and marketing infrastructure network, including a network of cross-country pipelines, terminals, depots and 18,634 retail outlets.

Key Financial Indicators*

As on / for the period ended March 31		2022 [#]	2021
Revenue	Rs crore	3,48,428	2,34,113
Profit after tax (PAT)	Rs crore	7294	10663
PAT margin	%	2.09	4.53
Adjusted debt / adjusted network	Times	1.09	1.21
Interest coverage	Times	10.20	22.12

*Numbers reflect analytical adjustments made by CRISIL Ratings

Provisional figures

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

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Annexure - Details of Instrument(s)

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs crore)	Complexity level	Rating assigned with outlook
NA	Non Convertible Debentures ^{^^}	NA	NA	NA	50	Simple	CRISIL AAA/Stable
NA	Non Convertible Debentures ^{^^}	NA	NA	NA	7,500	Simple	CRISIL AAA/Stable
INE094A08135	Non Convertible Debentures	4-Nov-22	7.64%	4-Nov-27	2,500	Simple	CRISIL AAA/Stable
INE094A08101	Non Convertible Debentures	28-Feb-22	6.09%	26-Feb-27	1,500	Simple	CRISIL AAA/Stable
INE094A08077	Non Convertible Debentures	4-Aug-20	5.36%	11-Apr-25	1,200	Simple	CRISIL AAA/Stable
INE094A08069	Non Convertible Debentures	6-Mar-20	7.03%	12-Apr-30	1,400	Simple	CRISIL AAA/Stable
INE094A08051	Non Convertible Debentures	28-Jan-20	6.38%	12-Apr-23	600	Simple	CRISIL AAA/Stable
INE094A08044	Non Convertible Debentures	15-Oct-19	6.80%	15-Dec-22	3,000	Simple	CRISIL AAA/Stable
INE094A08036	Non Convertible Debentures	14-Aug-19	7.00%	14-Aug-24	2,000	Simple	CRISIL AAA/Stable
INE094A08028	Non Convertible Debentures	25-Apr-19	8.00%	25-Apr-24	500	Simple	CRISIL AAA/Stable
INE094A08093	Non Convertible Debentures	7-May-21	6.63%	11-Apr-31	1950	Simple	CRISIL AAA/Stable
INE094A08085	Non Convertible Debentures	23-Oct-20	4.79%	23-Oct-23	2000	Simple	CRISIL AAA/Stable
INE094A08119	Non Convertible Debentures	20-Jun-22	7.81%	13-Apr-32	1500	Simple	CRISIL AAA/Stable

INE094A08127	Non Convertible Debentures	15-Jul-22	7.12%	30-Jul-25	1800	Simple	CRISIL AAA/Stable
NA	Commercial Paper	NA	NA	7-365 days	15000	Simple	CRISIL A1+
NA	Commercial Paper	NA	NA	7-365 days	10000	Simple	CRISIL A1+
NA	Fixed Deposits	NA	NA	NA	NA	Simple	CRISIL AAA/Stable
NA	Cash Credit	NA	NA	NA	6900	NA	CRISIL AAA/Stable
NA	Fund-Based Facilities	NA	NA	NA	5500	NA	CRISIL AAA/Stable
NA	External Commercial Borrowing **	NA	NA	NA	2310	NA	CRISIL AAA/Stable
NA	Proposed Long Term Bank Loan Facility	NA	NA	NA	540	NA	CRISIL AAA/Stable
NA	Rupee Term Loan#	NA	NA	20-Nov-24	1775	NA	CRISIL AAA/Stable
	Rupee Term Loan^	NA	NA	20-Feb-25	375	NA	CRISIL AAA/Stable
NA	Non-Fund-Based Limit	NA	NA	NA	19257	NA	CRISIL A1+
NA	Proposed fund based bank limits	NA	NA	NA	13343	NA	CRISIL AAA/Stable

^^Yet to be issued

**USD 300 million external commercial borrowings converted at USD 1 = Rs 77/-

#Current outstanding as on 28th April, 2022 is Rs. 1625 crore

^Current outstanding as on 28th April, 2022 is Rs. 375 crore

Annexure - List of entities consolidated

Company	% of shareholding	Consolidation
Aavantika Gas Ltd	49.99%	Joint venture
Bhagyanagar Gas Ltd	48.73%	Joint venture
Godavari Gas Pvt Ltd	26.00%	Joint venture
GSPL India Gasnet Ltd	11.00%	Associate
GSPL India Transco Ltd	11.00%	Associate
Hindustan Colas Pvt Ltd	50.00%	Joint venture
HPCL Biofuels Ltd	100.00%	Subsidiary
HPCL Middle East FZCO	100.00%	Subsidiary
HPCL Rajasthan Refinery Ltd	74.00%	Joint venture
HPCL LNG Ltd	100.00%	Subsidiary
HPCL-Mittal Energy Ltd	48.99%	Joint venture
IHB Private Ltd	25.00%	Joint venture
Mangalore Refinery & Petrochemicals Ltd	16.96%	Associate
Mumbai Aviation Fuel Farm Facility Pvt Ltd	25.00%	Joint venture
Petronet MHB Ltd	50.00%	Joint Venture
Prize Petroleum Co Ltd	100.00%	Subsidiary
Ratnagiri Refinery and Petrochemicals Ltd	25.00%	Joint venture
South Asia LPG Company Pvt Ltd	50.00%	Joint venture
HPOIL Gas Pvt Ltd	50.00%	Joint venture
Petronet India Ltd.	16.00%	Joint Venture

Annexure - Rating History for last 3 Years

Instrument	Current			2022 (History)		2021		2020		2019		Start of 2019
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	30743.0	CRISIL AAA/Stable	30-08-22	CRISIL AAA/Stable	30-09-21	CRISIL AAA/Stable	04-09-20	CRISIL AAA/Stable	26-09-19	CRISIL AAA/Stable	CRISIL AAA/Stable
			--	05-07-22	CRISIL AAA/Stable		--	04-06-20	CRISIL AAA/Stable	19-07-19	CRISIL AAA/Stable	--
			--	22-06-22	CRISIL AAA/Stable		--		--	30-04-19	CRISIL AAA/Stable	--
			--	30-04-22	CRISIL AAA/Stable		--		--		--	--
Non-Fund Based Facilities	ST	19257.0	CRISIL A1+	30-08-22	CRISIL A1+	30-09-21	CRISIL A1+	04-09-20	CRISIL A1+	26-09-19	CRISIL A1+	CRISIL A1+
			--	05-07-22	CRISIL A1+		--	04-06-20	CRISIL A1+	19-07-19	CRISIL A1+	--

			--	22-06-22	CRISIL A1+		--		--	30-04-19	CRISIL A1+	--
			--	30-04-22	CRISIL A1+		--		--		--	--
Commercial Paper	ST	25000.0	CRISIL A1+	30-08-22	CRISIL A1+	30-09-21	CRISIL A1+	04-09-20	CRISIL A1+	26-09-19	CRISIL A1+	CRISIL A1+
			--	05-07-22	CRISIL A1+		--	04-06-20	CRISIL A1+	19-07-19	CRISIL A1+	--
			--	22-06-22	CRISIL A1+		--		--	30-04-19	CRISIL A1+	--
			--	30-04-22	CRISIL A1+		--		--		--	--
Fixed Deposits	LT	0.0	CRISIL AAA/Stable	30-08-22	CRISIL AAA/Stable	30-09-21	F AAA/Stable	04-09-20	F AAA/Stable	26-09-19	F AAA/Stable	F AAA/Stable
			--	05-07-22	CRISIL AAA/Stable		--	04-06-20	F AAA/Stable	19-07-19	F AAA/Stable	--
			--	22-06-22	CRISIL AAA/Stable		--		--	30-04-19	F AAA/Stable	--
			--	30-04-22	F AAA/Stable		--		--		--	--
Non Convertible Debentures	LT	27500.0	CRISIL AAA/Stable	30-08-22	CRISIL AAA/Stable	30-09-21	CRISIL AAA/Stable	04-09-20	CRISIL AAA/Stable	26-09-19	CRISIL AAA/Stable	CRISIL AAA/Stable
			--	05-07-22	CRISIL AAA/Stable		--	04-06-20	CRISIL AAA/Stable	19-07-19	CRISIL AAA/Stable	--
			--	22-06-22	CRISIL AAA/Stable		--		--	30-04-19	CRISIL AAA/Stable	--
			--	30-04-22	CRISIL AAA/Stable		--		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Cash Credit	100	Standard Chartered Bank Limited	CRISIL AAA/Stable
Cash Credit	100	Citibank N. A.	CRISIL AAA/Stable
Cash Credit	5000	State Bank of India	CRISIL AAA/Stable
Cash Credit	700	Union Bank of India	CRISIL AAA/Stable
Cash Credit	400	Punjab National Bank	CRISIL AAA/Stable
Cash Credit	200	Bank of Baroda	CRISIL AAA/Stable
Cash Credit	200	Bank of India	CRISIL AAA/Stable
Cash Credit	100	HDFC Bank Limited	CRISIL AAA/Stable
Cash Credit	100	ICICI Bank Limited	CRISIL AAA/Stable
External Commercial Borrowings ^{&}	2310	State Bank of India	CRISIL AAA/Stable
Fund-Based Facilities	1800	Bank of Baroda	CRISIL AAA/Stable
Fund-Based Facilities	1000	Union Bank of India	CRISIL AAA/Stable
Fund-Based Facilities	900	HDFC Bank Limited	CRISIL AAA/Stable
Fund-Based Facilities	800	Bank of India	CRISIL AAA/Stable
Fund-Based Facilities	1000	ICICI Bank Limited	CRISIL AAA/Stable
Non-Fund Based Limit	11850	State Bank of India	CRISIL A1+
Non-Fund Based Limit	1507	HDFC Bank Limited	CRISIL A1+
Non-Fund Based Limit	5800	ICICI Bank Limited	CRISIL A1+
Non-Fund Based Limit	100	Union Bank of India	CRISIL A1+
Proposed Fund-Based Bank Limits	13343	Not Applicable	CRISIL AAA/Stable
Proposed Long Term Bank Loan Facility	540	Not Applicable	CRISIL AAA/Stable
Rupee Term Loan [^]	1775	HDFC Bank Limited	CRISIL AAA/Stable
Rupee Term Loan [%]	375	HDFC Bank Limited	CRISIL AAA/Stable

This Annexure has been updated on 06-Dec-22 in line with the lender-wise facility details as on 13-Aug-21 received from the rated entity.

& - USD 300 million external commercial borrowings converted at USD 1 = Rs 77/-

[^] - Current outstanding as on 28th April, 2022 is Rs. 1625 crore

[%] - Current outstanding as on 28th April, 2022 is Rs. 375 crore

Criteria Details

Links to related criteria
CRISILs Approach to Financial Ratios
Rating criteria for manufacturing and service sector companies
CRISILs Bank Loan Ratings - process, scale and default recognition
Rating Criteria for Petrochemical Industry
CRISILs criteria for rating fixed deposit programmes
CRISILs Criteria for rating short term debt
Criteria for Notching up Stand Alone Ratings of Entities Based on Government Support
CRISILs Criteria for Consolidation

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Ref: ICRA/Hindustan Petroleum Corporation Limited/16022023/1

Date: February 16, 2023

Ms. Sujata Londhe

Executive Director-Treasury

Hindustan Petroleum Corporation Limited

Petroleum House, 17, Jamshedji Tata Road,

Mumbai – 400020

Dear Sir/Madam,

Re: ICRA-assigned Credit Rating for Rs. 22,500.0 crore Non-Convertible Debenture (NCD) Programme of Hindustan Petroleum Corporation Limited

Please refer to your email dated February 15, 2023 for revalidating the rating for captioned programme.

We confirm that the long-term rating of [ICRA]AAA (pronounced ICRA triple A) assigned to your captioned programme and last communicated to you vide our letter dated December 02, 2022 stands. The outlook on the long-term rating is Stable. Please note that the Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. For the rating categories [ICRA]AA through to [ICRA]C, the modifiers + (plus) or – (minus) may be appended to the rating symbols to indicate their relative position within the rating categories concerned.

The other terms and conditions for the rating of the captioned instrument shall remain the same as were communicated vide our letter Ref: **ICRA/Hindustan Petroleum Corporation Limited/02122022/2** dated **December 02, 2022**

The Rating(s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated NCDs issued/availed by your company

We look forward to your communication and assure you of our best services.

With kind regards,

Yours sincerely,

For ICRA Limited

Digitally signed by SABYASACHI MAJUMDAR

Date: 2023.02.16 16:43:55 +05'30'

Sabyasachi Majumdar

(Senior Vice President)

Group Head-Corporate Ratings

sabyasachi@icraindia.com

December 09, 2022

Hindustan Petroleum Corporation Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term Non-convertible Debenture Programme^	22,500.00	22,500.00	[ICRA]AAA(Stable) reaffirmed
Short-term: Commercial Paper	25,000.00	25,000.00	[ICRA]A1+; reaffirmed
Issuer Rating	-	-	[ICRA]AAA(Stable); reaffirmed
Long-term: Cash Credit	7,800.00	-	-
Long-term: Fund Based Limits	4,740.00	15,490.00	[ICRA]AAA(Stable); reaffirmed
Short-term: Non-fund Based Limits	25,057.00	1,500.00	[ICRA]A1+; reaffirmed
Unallocated Limits	7,403.00	28,010.00	[ICRA]AAA(Stable)/[ICRA]A1+; reaffirmed
Total	92,500.00	92,500.00	

*Instrument details are provided in Annexure-I

^Rs. 2500 crore of proposed NCD Interchangeable with long-term bank facilities

Rationale

The reaffirmation of the ratings considers the strategic importance of Hindustan Petroleum Corporation Limited (HPCL/the company) in the domestic energy sector, its strong parent (Oil and Natural Gas Corporation Limited, or ONGC; rated ([ICRA]AAA (Stable)/[ICRA]A1+), an established brand name and its leading position in the domestic oil marketing business. The ratings favourably consider the proximity of the company's refineries to the coast, which provides logistical advantage in importing crude oil and exporting petroleum products.

The ratings also factor in the company's strong operational efficiencies with both its refineries (Mumbai and Visakhapatnam) operating at consistently high utilisation levels. The company completed the capacity expansion of its Mumbai refinery in FY2022; the capacity expansion at the Visakh refinery is expected to be completed in FY2023, while the residue upgradation project is expected to be completed in next fiscal, which would improve the profitability of the refining operations.

The crude throughput had declined in FY2022 owing to fire in one of the crude distillation units at the Visakh refinery and the scheduled shutdown of the Mumbai refinery for capacity expansion. Nevertheless, the gross refining margins (GRMs) of domestic refiners, including HPCL, increased in FY2022 as the crack spreads of most products improved on account of rising demand and inventory gains. However, in Q1 FY2023 and Q2 FY2023, the company reported significant operating losses due to pressure on marketing margin, offsetting the benefit from higher GRMs during the period. While going forward some recovery in margins is expected in H2 FY2023, the full year profit margins are expected to be dragged down by pressure on marketing margins.

HPCL's operations are subject to the regulatory risks pertaining to the pricing of sensitive petroleum products. Nonetheless, over the last few years, the Government of India (GoI) has been ensuring that the net under-recoveries borne by public sector oil marketing companies (OMCs) are either nil or within manageable levels by absorbing most of the gross under-recoveries (GURs) and sharing the remaining with upstream companies. GoI has approved a one-time grant of Rs. 5617 crore to compensate under-recoveries incurred by HPCL on sale of domestic LPG during financial year 2021-22 and H1FY2023.

Any adverse change in the GoI's policy in this regard that weakens HPCL's key credit metrics will be a key rating sensitivity. Moreover, given the elevated crude prices, the working capital requirement for the OMCs are expected to remain high.

HPCL is exposed to project implementation risks as it is implementing large-scale projects spanning the entire downstream value chain as well as through subsidiaries and joint ventures (JVs). There has been a substantial revision in the capex for HPCL's Rajasthan refinery project which is being implemented in a JV with the Rajasthan government. HPCL has a 74% stake in the project and the equity investment will be significantly higher than envisaged earlier. Accordingly, the debt coverage metrics might moderate over the next three to four years. Nonetheless, any further material time or cost overruns that could lead to larger-than-estimated funding requirements would be a key rating sensitivity.

The Stable outlook on the [ICRA]AAA rating reflects ICRA's opinion that HPCL will continue to benefit from its established position in the domestic energy sector.

Key rating drivers and their description

Credit strengths

GoI support to ensure profitability of OMCs - The GoI has provided dedicated support to cushion the OMCs from high under-recoveries in the past by institutionalising a subsidy-sharing framework, wherein it bears a large part of the under-recoveries through budgetary allocation. GoI has approved a one-time grant of Rs. 5617 crore to compensate under-recoveries incurred by HPCL on sale of domestic LPG during financial year 2021-22 and H1FY2023. Despite the switch in ownership to ONGC, ICRA believes HPCL will continue to be of strategic importance to the GoI as it will play a key role in fulfilling its socio-economic policies. Any adverse change in the GoI's policy in this regard will be a key rating sensitivity.

Coastal refinery provides logistical advantages - HPCL owns and operates two refineries, one in Mumbai and the other in Visakhapatnam (Andhra Pradesh). As both the refineries are in the coastal region, the company enjoys logistical benefits of lower costs and lesser time taken to transport the imported crude to the refineries and export the refined products. This lowers its inventory holdings to a significant extent compared to other OMCs with inland refineries.

Established position in domestic marketing business - The company is one of the three leading public OMCs, with an ~18% market share (including private players) as of FY2022. HPCL has the second-largest marketing network across the country and undertakes multiple branding and customer loyalty initiatives.

Healthy refining operations - HPCL has reported refinery utilisation levels of above 100% over the past few years. The capacity utilisation declined in FY2022 due to fire in one of the crude distillation units at the Visakh refinery and shutdown of the Mumbai refinery for capacity expansion. The GRM stood at \$7.2/bbl in FY2022 and improved to \$12.6/bbl¹ in H1FY2023 as the crack spreads of most products improved on account of increasing demand and inventory gains. However, the company's profit margins are adversely impacted in H1 FY2023 due to the pressure on marketing margins, which offsets any benefit from higher GRMs during the period. Going forward, with the completion of the Visakh capacity expansion and residue upgradation project, the scale and cash flows are expected to improve.

Healthy financial flexibility - The company enjoys high financial flexibility that allows it to raise debt and access the capital markets at competitive rates to fund its capex and working capital requirements. The flexibility is supported by HPCL's strong parent - ONGC – that owns a 54.9% stake in the company.

Credit challenges

Vulnerability of refining segment's profitability to global refining margin cycle, crude price volatility, import duty protection, and INR-\$ parity levels - Given the nature of its business, the company would remain exposed to the movements in the commodity price cycle and the volatility in crude prices. Any adverse changes in the import duty on its products would also

¹ Before factoring the impact of Special Additional Excise Duty and Road & Infrastructure Cess levied on export of select petroleum products

have an impact on the company's profitability on domestic sales. HPCL's profitability is also exposed to forex rates (INR-\$) as its business is primarily conducted on dollar terms, crude procurement and forex loans owing to timing differences in pass through of fluctuations. Further, the marketing margins are subject to the company's ability to pass on escalations in prices of auto fuels like MS² and HSD³ to consumers, which may not be always possible as witnessed in recent periods. Due to depressed marketing margins, H1FY2023 has reported net loss of ~Rs. 12455 crore at consolidated level despite higher GRMs.

Moderate financial profile - HPCL's key credit metrics, such as total debt/OPBDITA, interest coverage and RoCE⁴, have remained moderate following the increased debt level. The credit metrics are expected to remain under pressure with a large capital outlay for the ongoing projects and would not see any meaningful improvement till the investments start yielding returns.

Significant capex planned in medium term - The company is undertaking aggressive capex plans worth ~ Rs. 14,500 crore in FY2023 and ~Rs. 11,000 crore in FY2024. HPCL's capex plans include the implementation of major projects such as capacity expansion at existing refineries, expansion of its pipeline network, equity contribution for projects under JVs and subsidiaries and foray into petrochemicals. The expansion capex at Visakhapatnam will be completed in Q4 FY2023, while the capex for the Rajasthan refinery (under JV) is expected to be completed by Q1 FY2025. There has been a substantial revision in the capex for the Rajasthan refinery and the equity investment will be much higher than envisaged earlier. Any further material time or cost overruns in the Group projects could increase the company's borrowing levels and weaken the credit metrics.

Lack of freedom in pricing sensitive petroleum products - While the prices of motor spirit (MS) and high-speed diesel (HSD) are deregulated, PSU OMCs at times face the pressure of revising the prices in line with the global rates. Moreover, the price of LPG (domestic) is controlled, on which the GoI pays subsidy to cover the under-recoveries. Though the GoI has been ensuring that the net under-recoveries of OMCs are either nil or within manageable levels, any increase in the same in a scenario of high crude oil prices would impact the company's key credit metrics. In March 2020, the GoI instructed state-run oil companies to price PDS⁵ SKO⁶ at market rates, following the moderation in crude prices. In FY2022 and FY2023, some budgetary support was provided to HPCL for the marginal gross under-recoveries.

Environmental and Social Risks

HPCL is exposed to the risks of tightening regulations on environment and safety. However, HPCL has been compliant with the environmental regulations as per annual report FY2021-22, enabling it to mitigate the regulatory risks by demonstrating a sound operational track record and ensuring regulatory compliance. Nonetheless, HPCL remains exposed to the longer-term risk of the ongoing shift towards a future that is less dependent on fossil fuels. But this is a risk that will play out only over the distant future as India remains heavily dependent on oil and gas imports. HPCL's ability to adapt its business model, including diversification into new segments, would be a key rating driver from a longer-term credit perspective.

² Motor Spirit

³ High Speed Diesel

⁴ Return on capital employed

⁵ Public distribution system

⁶ Superior kerosene oil

Liquidity position: Strong

HPCL's liquidity is expected to remain strong, aided by sizeable cash and cash equivalents of ~Rs. 5,419 crore on the consolidated books as on September 30, 2022 with adequate fund-based and non-fund based working capital limits, a sizeable part of which is unutilized. It also enjoys high financial flexibility owing to its strong parent.

Rating sensitivities

Positive factors – Not applicable

Negative factors – Downward pressure on HPCL's ratings could arise if there is significant increase in the net under recoveries due to changes in Government policies on pricing/subsidy sharing on sensitive petroleum products, eroding the company's profits and cash flows. The rating may also be affected if ONGC's shareholding falls below 50%.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Rating Methodology for Downstream Oil Companies
Parent/Group support	Parent: Oil and Natural Gas Corporation Limited While, the parent of HPCL is ONGC Limited, which holds majority shareholding in HPCL, the assigned rating factors in the systemic importance that HPCL holds to Government of India, which ICRA expects should induce GOI to directly or through ONGC to extend timely financial support to the rated entity, should there be a need
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of HPCL. The subsidiaries and JVs of HPCL that have been considered are enlisted in Annexure 2.

About the company

HPCL is a public sector enterprise that owns and operates two refineries, one in Mumbai with a production capacity of 9.5 million metric tonnes per annum (MMTPA) and one in Visakhapatnam with a production capacity of 8.3 MMTPA. The company was incorporated in 1952 as Standard Vacuum Refining Company of India Limited. HPCL has a 49% stake in a JV with Mittal Energy Investments Pte Limited for operating an 11.3-MMTPA refinery in Bhatinda (Punjab). HPCL has a 16.95% equity stake in Mangalore Refinery and Petrochemicals Ltd. (MRPL), which operates a 15-MMTPA refinery in Mangalore (Karnataka). The company is setting up a 9-MMTPA greenfield refinery-cum-petrochemical complex at Pachpadra (Rajasthan) through HPCL Rajasthan Refinery Limited (HRRL) with an equity stake of 74%. ONGC holds a majority shareholding in HPCL, which it acquired from the GoI in January 2018. In October 2019, the company was granted a Maharatna status, which implies higher operational and financial autonomy.

Key financial indicators (audited)

HPCL Consolidated	FY2021	FY2022
Operating income	233,248	349,913
PAT *	10,524	5,836
OPBDIT/OI	6.9%	2.9%
PAT/OI	4.5%	1.7%
Total outside liabilities/Tangible net worth (times)	2.5	2.7
Total debt/OPBDIT (times)	2.7	4.7
Interest coverage (times)	16.6	10.3

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs crore

*Excluding profit/loss of joint ventures/associates

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument		Current rating (FY2023)							Chronology of rating history for the past 3 years					
		Type	Amount rated (Rs. crore)	Amount outstanding as on Dec 09, 2022 (Rs. crore)	Date & rating in FY2023				Date & rating in FY2022		Date & rating in FY2021		Date & rating in FY2020	
					Dec 09, 2022	Sep 02, 2022	Aug 05, 2022	Jun 03, 2022	Feb 22, 2022	Aug 31, 2021	Jan 7, 2021	Jul 23, 2020	Jan 10, 2020	Oct 1, 2019
1	NCDs*	Long term	10,000.00	9,950.00	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-
2	NCDs	Long term	7,500.00	7,500.00	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
3	Proposed NCDs^	Long term	5,000.00	2,500.00	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)							
4	Commercial Paper	Short term	25,000.00	8,940.00**	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
5	Cash Credit	Long term	-	-	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
6	Fund Based Limits	Long term	15,490.00	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
7	Non-Fund Based Limits	Short term	1,500.00	-	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
8	Unallocated Limits	Long-term/ Short-term	28,010.00	-	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	-	-	-	-
9	Issuer Rating	-	-		[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)

*Remaining NCDs yet to be placed

^Rs. 2500 proposed NCD are Interchangeable with long-term bank facilities,

**As on 4th Aug 2022

Complexity level of the rated instruments

Instrument	Complexity Indicator
Non-convertible Debenture Programme	Simple
Commercial Paper	Very Simple
Issuer Rating	NA
Fund-based Limits	Simple
Non-fund Based Limits	Very simple
Unallocated Limits	NA

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. Crore)	Current Rating and Outlook
NA	Long-term Fund Based Limits	-	-	-	15,490.0	[ICRA]AAA (Stable)
NA	Short-term Non-fund Based limits	-	-	-	1,500.0	[ICRA]A1+
NA	Unallocated Limits	-	-	-	28,010.0	[ICRA]AAA(Stable)/ [ICRA]A1+
NA	NCDs*	Yet to be placed	-	-	2,550.0	[ICRA]AAA (Stable)
INE094A08028	NCDs	April 2019	8.00%	April 2024	500	[ICRA]AAA (Stable)
INE094A08036	NCDs	August 2019	7.00%	August 2024	2,000	[ICRA]AAA (Stable)
INE094A08044	NCDs	October 2019	6.80%	December 2022	3,000	[ICRA]AAA (Stable)
INE094A08051	NCDs	January 2020	6.38%	April 2023	600	[ICRA]AAA (Stable)
INE094A08069	NCDs	March 2020	7.03%	April 2030	1,400	[ICRA]AAA (Stable)
INE094A08077	NCDs	August 2020	5.36%	April 2025	1,200	[ICRA]AAA (Stable)
INE094A08085	NCDs	October 2020	4.79%	October 2023	2,000	[ICRA]AAA (Stable)
INE094A08093	NCDs	May 2021	6.63%	April 2031	1,950	[ICRA]AAA (Stable)
INE094A08101	NCDs	February 2022	6.09%	February 2027	1,500	[ICRA]AAA (Stable)
INE094A08119	NCDs	June 2022	7.81%	April 2032	1,500	[ICRA]AAA (Stable)
INE094A08127	NCDs	July 2022	7.12%	July 2025	1,800	[ICRA]AAA (Stable)
INE094A08135	NCDs	November 2022	7.64%	November 2027	2,500	[ICRA]AAA (Stable)
INE094A14IU9	Commercial Paper	June 2022	5.15%	August 2022	1,200.00	[ICRA]A1+
INE094A14IX3	Commercial Paper	June 2022	5.19%	August 2022	800.00	[ICRA]A1+
INE094A14IY1	Commercial Paper	June 2022	5.12%	August 2022	700.00	[ICRA]A1+
INE094A14JA9	Commercial Paper	July 2022	5.03%	August 2022	500.00	[ICRA]A1+
INE094A14JB7	Commercial Paper	July 2022	5.15%	September 2022	1,200.00	[ICRA]A1+
INE094A14JC5	Commercial Paper	July 2022	5.15%	September 2022	1,600.00	[ICRA]A1+
INE094A14JD3	Commercial Paper	July 2022	5.18%	September 2022	1,200.00	[ICRA]A1+
INE094A14JE1	Commercial Paper	July 2022	5.30%	September 2022	740.00	[ICRA]A1+
INE094A14JF8	Commercial Paper	July 2022	5.78%	October 2022	1,000.00	[ICRA]A1+
NA	Commercial Paper	Yet to be placed	-	-	6,060.00	[ICRA]A1+
NA	Commercial Paper	Yet to be placed	-	-	10,000.00	[ICRA]A1+
NA	Issuer Rating	-	-	-	-	[ICRA]AAA (Stable)

Source: Company

*Includes Proposed NCDs of Rs. 2500 crore interchangeable with proposed long-term bank facilities

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company Name	HPCL Ownership	Consolidation Approach
Prize Petroleum Co. Ltd.	100.00%	Full Consolidation
HPCL Biofuels Ltd.	100.00%	Full Consolidation
HPCL Middle East FZCO	100.00%	Full Consolidation
HPCL LNG Limited (Formerly known as HPCL Shapoorji Energy Private Limited)	100.00%	Full Consolidation
HPCL Rajasthan Refinery Limited	74.00%	Full Consolidation
Ratnagiri Refinery and Petrochemicals Limited	25.00%	Limited Consolidation
HPCL - Mittal Energy Ltd.	48.99%	Full Consolidation
Bhagyanagar Gas Ltd.	48.73%	Limited Consolidation
Aavantika Gas Ltd.	49.99%	Limited Consolidation
IHB Limited.	25.00%	Limited Consolidation
Petronet MHB Ltd.	50.00%	Limited Consolidation
Godavari Gas Private Ltd.	26.00%	Limited Consolidation
Hindustan Colas Pvt. Ltd.	50.00%	Limited Consolidation
South Asia LPG Co. Pvt. Ltd.	50.00%	Limited Consolidation
Mumbai Aviation Fuel Farm Facility Pvt. Ltd.	25.00%	Limited Consolidation
HPOIL Gas Pvt. Ltd.	50.00%	Limited Consolidation
Mangalore Refinery and Petrochemicals Limited	16.96%	Limited Consolidation
GSPL India Gasnet Limited	11.00%	Limited Consolidation
GSPL India Transco Limited	11.00%	Limited Consolidation
Petronet India Limited	16.00%	Limited Consolidation

Source: Company

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For more information, visit www.icra.in

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Annexure – V

COPY OF BOARD RESOLUTION DATED DECEMBER 15, 2022



हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड

(भारत सरकार उपक्रम) रजिस्टर्ड ऑफिस : 17, जमशेदजी टाटा रोड, मुंबई - 400 020.

HINDUSTAN PETROLEUM CORPORATION LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE) REGISTERED OFFICE : 17, JAMSHEDJI TATA ROAD, MUMBAI - 400 020.

17, जमशेदजी टाटा रोड, पोस्ट बॉक्स नं. - 11041, मुंबई - 400 020. दूरभाष - 2286 3900 • फॅक्स - 2287 2992 • ई-मेल : corphqo@hpcl.co.in
17, Jamshedji Tata Road, P. O. Box No. - 11041, Mumbai - 400 020. Tel. : 2286 3900 • Fax : 2287 2992 • e-mail : corphqo@hpcl.co.in
CIN No.: L23201MH1952GOI008858

CERTIFIED TRUE COPY OF THE EXTRACTS OF THE RESOLUTIONS ADOPTED AT THE 666th BOARD MEETING HELD ON 15TH DECEMBER, 2022

A-6: BORROWING OF FUNDS UPTO RS. 10000 CRORE THROUGH FRESH ISSUE OF DEBENTURES / BONDS / NOTES / ETC.

- RESOLVED THAT pursuant to applicable provisions of The Companies Act, 2013, approval be and is hereby accorded authorizing the Chairman & Managing Director and / or Director (Finance) severally to borrow sums through issuance of secured/unsecured redeemable Non-Convertible Debentures / Bonds / Notes / etc., of such face value in both domestic as well as overseas market on private placement basis, in one or more series / tranches, aggregating upto an amount not exceeding Rs.10,000 Crore (Rupees Ten Thousand Crore) from the date of this approval; such borrowings to be within the overall borrowing limits approved by the Members from time to time."
- RESOLVED FURTHER THAT the Chairman & Managing Director and/or Director (Finance) and/or Executive Director – Treasury and/or Executive Director- Corporate Finance are hereby jointly or severally authorized to select, appoint, and finalize the remuneration of various agencies, including but not limited to registrar and transfer agents, credit rating agencies and trustee, associated with the issue of secured/unsecured Redeemable non-convertible debentures/bonds/notes/etc. as they may, in their absolute discretion, deem necessary.
- RESOLVED FURTHER THAT the Chairman & Managing Director and/or Director (Finance) and/or Executive Director – Treasury and/or Executive Director – Corporate Finance and/or Chief General Manager – Treasury are hereby jointly or severally authorized to do, from time to time, all such acts, deeds and things as may be deemed necessary in respect of issue of Secured/Unsecured redeemable Non-Convertible Debentures / Bonds / Notes/etc., including but not limited to number of issues/tranches, face value, issue price, issue size, timing, amount, tenor, method of issuance, security, coupon/interest rate(s), yield, allotment including the class of investors to whom debentures/bonds/notes/etc. are to be allotted, creation of charge, listing, executing all deeds and documents (such as Trust Deeds, Listing Agreement, creation of charge, etc.) as may be required in connection with the issue, issuing any declaration/undertaking, etc. required to be included in the Private Placement Offer letter and any other regulatory requirement for the time being in force and other terms and conditions of issue of debentures/bonds/notes/etc. as they may, in their absolute discretion, deem necessary and the common seal of the Company shall be affixed on such documents, wherever required."

Certified True Copy

V. Murali

Date: February 20, 2023
Place: Mumbai

V Murali
Company Secretary
Petroleum House, 17, Jamshedji Tata Road
Churchgate, Mumbai-400020
ICSI Membership No.: A11269



Annexure – VI

COPY OF SHAREHOLDER RESOLUTION DATED AUGUST 30, 2022



हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड

(भारत सरकार उपक्रम) रजिस्टर्ड ऑफिस : 17, जमशेदजी टाटा रोड, मुंबई - 400 020.

HINDUSTAN PETROLEUM CORPORATION LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE) REGISTERED OFFICE : 17, JAMSHEDJI TATA ROAD, MUMBAI - 400 020.

17, जमशेदजी टाटा रोड, पोस्ट बॉक्स नं. - 11041, मुंबई - 400 020. दूरभाष - 2286 3900 • फॅक्स - 2287 2992 • ई-मेल : corphqo@hpcl.co.in
17, Jamshedji Tata Road, P. O. Box No. - 11041, Mumbai - 400 020. Tel. : 2286 3900 • Fax : 2287 2992 • e-mail : corphqo@hpcl.co.in
CIN No.: L23201MH1952GOI008858

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE MEMBERS OF THE COMPANY PURSUANT TO SECTION 180(1)(C) AND SECTION 180 (1) (A) OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER ON 30.08.2022.

TO INCREASE THE BORROWING POWERS OF THE COMPANY AND CREATION OF CHARGE / PROVIDING OF SECURITY

- RESOLVED THAT in supersession of the special resolution passed by the shareholders through the process of postal ballot on 28.8.2014, the consent of the Company be and is hereby accorded to the Board of Directors of the company under Section 180(1)(c) and all other applicable provisions if any, of the Companies Act, 2013 read with Article 67 of the Articles of the Association of the Company, to borrow monies for and on behalf of the Company from time to time as deemed by it to be requisite and proper for the business of the Company, but so that the monies to be borrowed together with the monies already borrowed by the Company shall not exceed Rs. 50,000 crores (Rupees Fifty Thousand Crores only) in excess of the aggregate of the paid up share capital and free reserves of the Company as per the latest annual audited financial statements, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.
- RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded, in terms of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof for the time being in force) to the Board of Directors of the Company to create charge / provide security for the sums borrowed on such terms and conditions and in such form and manner and with such ranking as to priority, as the Board in its absolute discretion thinks fit, on the assets of the Company, as may be agreed to between the Company and the Lenders so as to secure the borrowings by the Company, together with interest costs, charges, expenses and all other monies payable by the Company to the concerned Lenders / institutions, under the respective arrangements entered into / to be entered by the Company and/or Board.

.....
.....

Certified True Copy

V. Murali

Date : February 20, 2023
Place : Mumbai

V Murali
Company Secretary
Petroleum House, 17, Jamshedji Tata Road
Churchgate, Mumbai-400020
ICSI Membership No.: A11269



Annexure – VII

SHAREHOLDING PATTERN AS ON DECEMBER 31, 2022



Summary statement holding of specified securities

Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	Total no. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form
(A) Promoter & Promoter Group	1	77,88,45,375	77,88,45,375	54.90	77,88,45,375	54.90	77,88,45,375
(B) Public	4,03,780	63,97,02,970	63,97,02,970	45.10	63,97,02,970	45.10	63,47,61,019
(C1) Shares underlying DRs				0.00		0.00	
(C2) Shares held by Employee Trust				0.00		0.00	
(C) Non Promoter-Non Public				0.00		0.00	
Grand Total	4,03,781	1,41,85,48,345	1,41,85,48,345	100.00	1,41,85,48,345	100.00	1,41,36,06,394



Statement showing shareholding pattern of the Promoter and Promoter Group

Category of shareholder	Entity Type	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		Number of equity shares held in dematerialized form
						Class eg: X	Total	
A1) Indian					0.00		0.00	
Central Government/ State Government(s)					0.00		0.00	
PRESIDENT OF INDIA	Promoter				0.00		0.00	
Any Other (specify)		1	77,88,45,375	77,88,45,375	54.90	77,88,45,375	54.90	77,88,45,375
Oil And Natural Gas Corporation Limited	Promoter	1	77,88,45,375	77,88,45,375	54.90	77,88,45,375	54.90	77,88,45,375
Sub Total A1		1	77,88,45,375	77,88,45,375	54.90	77,88,45,375	54.90	77,88,45,375
A2) Foreign					0.00		0.00	
A=A1+A2		1	77,88,45,375	77,88,45,375	54.90	77,88,45,375	54.90	77,88,45,375



Statement showing shareholding pattern of the Public shareholder

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form(Not Applicable)
B1) Institutions (Domestic)	0	0		0.00		0.00	
Mutual Funds/	36	187941824	18,79,41,824	13.25	18,79,41,824	13.25	18,79,36,649
Icici Prudential Midcap Fund	1	21438015	2,14,38,015	1.51	2,14,38,015	1.51	2,14,38,015
Mirae Asset Large Cap Fund	1	30869176	3,08,69,176	2.18	3,08,69,176	2.18	3,08,69,176
Hdfc Trustee Company Ltd - A/C Hdfc Mid - Capopportunities Fund	1	70244924	7,02,44,924	4.95	7,02,44,924	4.95	7,02,44,924
Alternate Investment Funds	7	643584	6,43,584	0.05	6,43,584	0.05	6,43,584
Banks	4	559	559	0.00	559	0.00	334
Insurance Companies	26	86461836	8,64,61,836	6.10	8,64,61,836	6.10	8,64,61,386
Life Insurance Corporation Of India	1	46396155	4,63,96,155	3.27	4,63,96,155	3.27	4,63,95,705
Provident Funds/ Pension Funds	1	3242383	32,42,383	0.23	32,42,383	0.23	32,42,383
NBFCs registered with RBI	9	58347	58,347	0.00	58,347	0.00	58,347
Other Financial Institutions	4	2975	2,975	0.00	2,975	0.00	
Sub Total B1	87	278351508	27,83,51,508	19.62	27,83,51,508	19.62	27,83,42,683



B2) Institutions (Foreign)	0	0		0.00		0.00	
Foreign Portfolio Investors Category I	476	222058460	22,20,58,460	15.65	22,20,58,460	15.65	22,20,58,460
Government Of Singapore	1	32676042	3,26,76,042	2.30	3,26,76,042	2.30	3,26,76,042
Any Other(Institutions (Foreign))	3	1475	1,475	0.00	1,475	0.00	675
The Hongkong And Shanghai Banking Corp.Ltd.	1	675	675	0.00	675	0.00	675
Foreign Institutional Investors	2	800	800	0.00	800	0.00	
Sub Total B2	479	222059935	22,20,59,935	15.65	22,20,59,935	15.65	22,20,59,135
B3) Central Government/ State Government(s)/ President of India	0	0		0.00		0.00	
B4) Non-Institutions	0	0		0.00		0.00	
Directors and their relatives (excluding independent directors and nominee directors)	3	11750	11,750	0.00	11,750	0.00	11,750
Key Managerial Personnel	1	3467	3,467	0.00	3,467	0.00	3,467
Investor Education and Protection Fund (IEPF)	1	265580	2,65,580	0.02	2,65,580	0.02	2,65,580
Resident Individuals holding nominal share capital up to Rs. 2 lakhs	389258	90978282	9,09,78,282	6.41	9,09,78,282	6.41	8,70,13,321
Resident Individuals holding nominal	288	23375609	2,33,75,609	1.65	2,33,75,609	1.65	2,31,00,884



share capital in excess of Rs. 2 lakhs							
Non Resident Indians (NRIs)	6595	6270269	62,70,269	0.44	62,70,269	0.44	56,06,016
Bodies Corporate	1358	12411679	1,24,11,679	0.87	1,24,11,679	0.87	1,23,88,167
Any Other (specify)	5710	5974891	59,74,891	0.42	59,74,891	0.42	59,70,016
Overseas Corporate Bodies	1	450	450	0.00	450	0.00	450
Clearing Members	57	528901	5,28,901	0.04	5,28,901	0.04	5,28,901
Unclaimed or Suspense or Escrow Account	1	9891	9,891	0.00	9,891	0.00	9,891
HUF	5527	4726531	47,26,531	0.33	47,26,531	0.33	47,21,656
LLP	81	559328	5,59,328	0.04	5,59,328	0.04	5,59,328
Trusts	43	149790	1,49,790	0.01	1,49,790	0.01	1,49,790
Sub Total B4	403214	139291527	13,92,91,527	9.82	13,92,91,527	9.82	13,43,59,201
B=B1+B2+B3+B4	403780	639702970	63,97,02,970	45.10	63,97,02,970	45.10	63,47,61,019

Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

Category & Name of the Shareholders(I)	No. of shareholder(III)	No. of fully paid up equity shares held(IV)	Total no. shares held(VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of equity shares held in dematerialized form(XIV)(Not Applicable)
C1) Custodian/DR Holder	0	0		0.00	
C2) Employee Benefit Trust	0	0		0.00	



Annexure – VIII

CONSOLIDATED AND STANDALONE FINANCIAL STATEMENTS OF THE ISSUER

AS ON

SEPTEMBER 30, 2022 AND DECEMBER 31, 2022

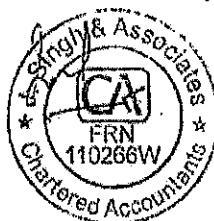
C N K & Associates LLP
Chartered Accountants
501/502, Narain Chambers, M.G. Road,
Vile Parle (East),
Mumbai - 400057

J Singh & Associates
Chartered Accountants
505-507, Hubtown Viva, W.E. Highway,
Shankarwadi, Andheri East,
Mumbai - 400060

**Independent Auditors' Review Report on Unaudited Standalone Financial Results of
HINDUSTAN PETROLEUM CORPORATION LIMITED for the quarter and nine months ended
December 31, 2022, pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015**

**Review Report to
The Board of Directors
HINDUSTAN PETROLEUM CORPORATION LIMITED**

1. We have reviewed the accompanying statement of unaudited standalone financial results of **HINDUSTAN PETROLEUM CORPORATION LIMITED** ("the Company") for the quarter and nine months ended December 31, 2022, ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except for the disclosures regarding (a) Physical Performance disclosed in Part B of the Statement and (b) Average Gross Refining Margins stated in Note no. 3 of the Statement. This Statement includes the results of the Visakh Refinery of the Company, which have been subjected to limited review by the Branch Auditor of the Company. The Branch Auditor's report dated January 19, 2023 was forwarded to us and the same has been dealt with in preparing this report, in the manner considered necessary by us.
2. This Statement which is the responsibility of the Company's Management and approved by its Board of Directors in their meeting held on February 09, 2023 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with the relevant rules issued there under and other recognised accounting practices and policies generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Indian Accounting Standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed or that it contains any material misstatement.



5. Other Matters

- a) The Statement includes Company's proportionate share in the Jointly Controlled Expenses amounting to ₹ 1.96 crore and ₹ 5.24 crore and Income of ₹ 0.39 crore and ₹ 1.57 crore, for the quarter and nine months ended December 31, 2022, respectively in respect of 17 unincorporated Joint Operations, which have been included based on unreviewed financial information. Our conclusion in respect thereof is solely based on the management certified information.
- b) The Standalone Financial statements of the Company for the previous year ended March 31, 2022, were audited by the joint auditors one of which is predecessor audit firm and have expressed unmodified opinion on such financial statements vide their report dated May 19, 2022. Further the Standalone financial results of the Company as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended, for the quarter and nine months ended December 31, 2021, were reviewed by the joint auditors, one of which is predecessor audit firm and have issued their unmodified conclusion on such results vide their Report dated January 31, 2022.

Our conclusion on the Statement is not modified in respect of the above matters.

For C N K & Associates LLP
Chartered Accountants
FRN: 101961W/W-100036


Vijay Mehta

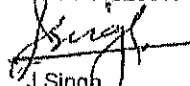
Partner

Membership No.: 106533

UDIN: 23106533B4XNEW5350



For J Singh & Associates
Chartered Accountants
FRN: 110266W


J Singh

Partner

Membership No.: 042023

UDIN: 23042023B0SBR7435



Place: Mumbai

Dated: February 09, 2023

HINDUSTAN PETROLEUM CORPORATION LIMITED

Regd. Office : 17, Jamshedji Tata Road, Mumbai - 400 020

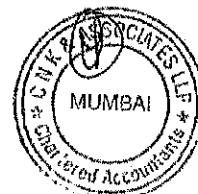
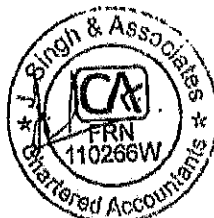
WEBSITE : www.hindustanpetroleum.com, E-mail : corphqo@hpcil.in, CIN No: L23201MH1952GOI008858

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2022

Particulars	Quarter Ended			Nine Months Ended		(₹ in Crore)
	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	Year Ended
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	31.03.2022
A. FINANCIAL PERFORMANCE						
1 Income						
(a) Sale of Products (including Excise Duty) (refer Note # 4 below)	1,15,745.22	1,13,811.23	1,03,080.20	3,50,630.31	2,67,699.35	3,72,641.60
(b) Other Operating Revenue	381.38	361.02	342.17	1,117.35	908.91	1,255.14
(c) Other Income (refer Note # 5 below)	288.92	280.51	745.56	909.14	2,005.31	2,969.68
Total Income	1,16,415.52	1,14,452.76	1,04,167.93	3,52,656.80	2,70,613.57	3,76,866.42
2 Expenses						
(a) Cost of materials consumed	30,771.75	31,256.28	20,355.95	95,734.74	43,140.70	69,435.87
(b) Purchases of stock-in-trade	69,754.69	71,220.28	69,884.42	2,29,730.66	1,85,667.76	2,53,209.37
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,599.32	2,074.36	386.74	3,559.45	2,065.93	(629.57)
(d) Excise Duty	6,523.41	5,754.99	6,820.00	19,272.50	16,498.07	24,213.81
(e) Employee benefits expense	716.34	739.46	622.05	2,161.80	2,240.83	2,982.45
(f) Finance Costs	681.68	594.96	235.78	1,609.30	644.42	972.73
(g) Depreciation and amortisation expense	1,110.45	1,080.90	1,024.68	3,285.81	2,885.87	3,965.11
(h) Other expenses (refer Note # 5 below)	4,089.44	4,624.75	3,677.65	13,609.29	10,551.24	14,508.95
Total Expenses	1,16,247.08	1,17,345.98	1,03,007.27	3,68,963.55	2,64,694.82	3,68,562.72
3 Profit/(Loss) before exceptional items and tax (1-2)	168.44	(2,893.22)	1,160.66	(16,306.75)	5,918.75	8,203.70
4 Exceptional Items - Income/(Expenses)	-	-	-	-	-	-
5 Profit/(Loss) before tax (3+/-4)	168.44	(2,893.22)	1,160.66	(16,306.75)	5,918.75	8,203.70
6 Tax Expense						
(a) Current Tax	-	-	246.64	-	1,257.73	1,510.00
(b) Deferred Tax	41.98	(721.08)	45.16	(4,064.13)	230.25	498.09
(c) Short / (Excess) provision of tax of earlier years	(45.97)	-	-	(45.97)	(156.60)	(187.02)
Total Tax Expense	(3.99)	(721.08)	291.80	(4,110.10)	1,331.38	1,821.07
7 Net profit/(Loss) for the period (5-6)	172.43	(2,172.14)	868.86	(12,196.65)	4,587.37	6,382.63
8 Other Comprehensive Income						
A (i) Items that will not be reclassified to profit or loss	90.29	(206.12)	(163.99)	(81.15)	205.12	482.75
A (ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	0.09	(0.29)	(43.57)
B (i) Items that will be reclassified to profit or loss	75.47	375.17	(36.75)	(93.50)	(13.18)	(185.31)
B (ii) Income tax relating to items that will be reclassified to profit or loss	(19.00)	(94.42)	9.25	23.53	3.32	46.64
Total Other Comprehensive Income	146.76	74.63	(191.49)	(151.03)	194.97	300.51
9 Total Comprehensive Income for the period (7 +/- 8)	319.19	(2,097.51)	677.37	(12,347.68)	4,782.34	6,683.14
10 Paid up Equity Share Capital (Face value ₹ 10/- each)	1,418.55	1,418.55	1,418.55	1,418.55	1,418.55	1,418.55
11 Other Equity excluding Revaluation Reserves						37,258.10
12 Basic and Diluted Earnings Per Share (₹) (of ₹ 10/- each) (not annualised) (refer note # 6 below)	1.22	(15.32)	6.12	(85.98)	32.29	44.94
B. PHYSICAL PERFORMANCE (in MMT)						
Crude Thruput	4.83	4.49	4.24	14.13	9.28	13.97
Market Sales						
- Domestic Sales	10.95	9.87	9.95	31.27	27.19	37.45
- Exports	0.30	0.52	0.59	1.07	1.28	1.69
Pipeline Thruput	5.84	5.53	5.50	17.12	14.59	19.91

Notes:

- The Audit Committee in its meeting held on February 08, 2023 has reviewed and recommended these results and the same have been subsequently approved by the Board of Directors in its meeting held on February 09, 2023.
- The Financial Results have been reviewed by the Statutory Auditors as required under Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Average Gross Refining Margin (GRM) for the period April-December 2022 is \$ 11.40 per BBL (April-December 2021: \$ 4.50 per BBL). This is before factoring the impact of Special Additional Excise Duty and Road & Infrastructure Cess levied on export of select petroleum products, effective 01/07/2022. During this period, due to the suppressed marketing margins on certain petroleum products, the profitability is impacted.
- The Government of India had approved a one-time grant of ₹ 5,617 Crore to compensate under-recoveries incurred on sale of domestic LPG during financial year 2021-22 and current period, which has been duly recognized in the quarter ended September 2022 and nine months ended December 2022.
- Other Expenses for the period April - December, 2022 includes ₹ 1,951.64 Crore towards loss on account of foreign currency transactions and translations (April - December, 2021 : Gain of ₹ 183.01 Crore Included in Other Income).
- The Basic and Diluted Earnings per Share (EPS) have been calculated after duly considering shares bought back (buy-back program had concluded on May 14, 2021). Thus, EPS for year ended March 31, 2022 and nine months ended December 31, 2021 are not comparable with other periods.
- Segment information is disclosed in Consolidated Financial Results.



8 Additional Disclosures as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
(a) Debt Equity Ratio (Times) Borrowings (Long Term + Short Term) / Equity	2.63	2.84	1.01	2.63	1.01	1.12
(b) Debt Service Coverage Ratio - Not Annualised (Times) (Profit after tax + Finance cost in P&L + Depreciation) / (Finance cost (P&L and Capitalized) + Principal Repayment (Long term borrowing and Lease Liabilities))	0.31	(0.41)	3.32	(0.86)	4.00	2.20
(c) Interest Service Coverage Ratio (Times) (Profit before tax + Finance cost in P&L + Depreciation) / Finance Cost (P&L and Capitalized)	1.70	(1.19)	5.15	(3.95)	6.29	6.04
(d) Capital Redemption Reserve (₹ in Crore)	105.27	105.27	105.27	105.27	105.27	105.27
(e) Debenture Redemption Reserve (₹ in Crore)	625.00	625.00	625.00	625.00	625.00	625.00
(f) Net Worth (₹ in Crore) (Equity share Capital + Other Equity)	24,473.37	24,134.64	35,774.52	24,473.37	35,774.52	38,677.04
(g) Current Ratio (Times) Current Assets / Current Liabilities	0.59	0.57	0.64	0.59	0.64	0.70
(h) Long Term debt to working capital (Times) Long Term Borrowing / Working Capital	(1.39)	(1.22)	(1.27)	(1.39)	(1.27)	(1.65)
(i) Bad Debt to Account receivable ratio (Times) Bad Debt / Average Trade Receivable	-	0.00	0.00	0.00	0.00	0.00
(j) Current Liability Ratio (Times) Current Liability / Total Liabilities	0.63	0.65	0.65	0.63	0.65	0.63
(k) Total debts to total assets (Times) [Borrowings (Long Term + Short Term)] / Total Assets	0.41	0.45	0.27	0.41	0.27	0.29
(l) Debtor Turnover - Not Annualised (Times) Sale of Product / Average Trade Receivable	21.14	23.02	14.66	55.65	37.65	56.51
(m) Inventory Turnover - Not Annualised (Times) Sale of Products / Average Inventory	3.96	3.53	3.61	11.01	9.51	11.66
(n) Operating Margin (%) (Profit before Exceptional Item and Tax + Finance Costs- Other Income)/ Revenue from Operations	0.48%	(2.26%)	0.63%	(4.44%)	1.70%	1.66%
(o) Net Profit Margin (%) Profit after Tax / Revenue from Operations	0.15%	(1.90%)	0.84%	(3.47%)	1.71%	1.71%

9 Previous period figures have been regrouped/reclassified, wherever necessary.

Place : Mumbai
Date : February 09, 2023

By order of the Board

Rajneesh Narang
Director - Finance
DIN - 08188549



C N K & Associates LLP
Chartered Accountants
501/502, Narain Chambers, M.G. Road,
Vile Parle (East),
Mumbai – 400057

J Singh & Associates
Chartered Accountants
505-507, Hubtown Viva, W.E. Highway,
Shankarwadi, Andheri East,
Mumbai - 400060

**Independent Auditors' Review Report on Consolidated Unaudited Financial Results of
HINDUSTAN PETROLEUM CORPORATION LIMITED for the quarter and nine months ended
December 31, 2022, pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015**

**Review Report to
The Board of Directors
HINDUSTAN PETROLEUM CORPORATION LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of HINDUSTAN PETROLEUM CORPORATION LIMITED ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit / (loss) after tax and total comprehensive income / (loss) of its associates and joint ventures for the quarter and nine months ended December 31, 2022 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors in their meeting held on February 09, 2023 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 as amended, read with the relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of Interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



4. The Statement includes the results of the following entities:

A. Parent

Hindustan Petroleum Corporation Limited

B. Subsidiaries

1. HPCL Biofuels Limited
2. HPCL Middle East FZCO #
3. Prize Petroleum Company Limited *
4. HPCL LNG Limited (Formerly known as HPCL Shapoorji Energy Private Limited)

C. Joint Ventures

1. HPCL - Mittal Energy Limited *
2. Hindustan Colas Private Limited *
3. South Asia LPG Company Private Limited
4. Bhagyanagar Gas Limited
5. Petronet MHB Limited
6. Aavantika Gas Limited
7. HPCL Rajasthan Refinery Limited
8. Godavari Gas Private Limited
9. Mumbai Aviation Fuel Farm Facility Private Limited
10. HPOIL Gas Private Limited
11. Ratnagiri Refinery and Petrochemicals Limited
12. IHB Limited

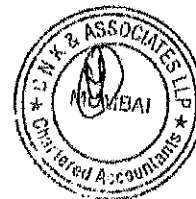
D. Associates

1. Mangalore Refinery and Petrochemicals Limited *
2. GSPL India Gasnet Limited
3. GSPL India Transco Limited

Incorporated/located outside India

* Based on Consolidated financial Statements

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of the Branch Auditor and other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Other Matters

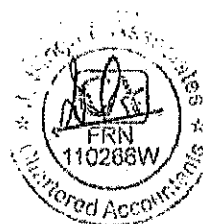
6. We did not review the financial results of Visakh Refinery which is considered as a branch and included in the standalone unaudited financial results of the Group, whose results reflect total revenues of ₹ 18,000.59 crore and ₹ 53,914.90 crore, total net profit / (loss) after tax of ₹ (838.25) crore and ₹ (1,442.82) crore and total comprehensive income of ₹ (838.26) crore and ₹ (1,442.87) crore for the quarter and nine months ended December 31, 2022 respectively, as considered in the branch's standalone unaudited financial results. The financial results of this branch have been reviewed by the Branch Auditor whose report dated January 19, 2023 has been furnished to us and our conclusion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of the Branch Auditor and the procedures performed by us as stated in paragraph 3 above.

We did not review the financial results of 1 subsidiary included in the consolidated unaudited financial results, whose financial results reflect total revenues of ₹ 0.00 crore and ₹ 0.00 crore, total net profit / (loss) after tax of ₹ (2.07) crore and ₹ (5.73) crore and total comprehensive income of ₹ (2.05) crore and ₹ (5.66) crore for the quarter and nine months ended December 31, 2022 respectively. The consolidated unaudited financial results also include the Group's share of net profit / (loss) after tax of ₹ 390.15 crore and ₹ 1,832.94 crore and total comprehensive income of ₹ 337.10 crore and ₹ 1,693.03 crore for the quarter and nine months ended December 31, 2022 respectively, as considered in the consolidated unaudited financial results, in respect of 1 associate and 9 joint ventures, whose financial results have not been reviewed by us. These financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

7. The consolidated unaudited financial results include the interim financial results/information of 3 subsidiaries (including the step-down subsidiary) which have not been reviewed by their auditors, whose interim financial results reflect total revenues of ₹ 101.99 crore and ₹ 221.76 crore, total net profit / (loss) after tax of ₹ (18.62) crore and ₹ (86.67) crore and total comprehensive income of ₹ (27.41) crore and ₹ (128.31) crore for the quarter and nine months ended December 31, 2022 respectively, as considered in the consolidated unaudited financial results.

The consolidated unaudited financial results also include the Group's share of net profit / (loss) after tax of ₹ (7.80) crore and ₹ (14.04) crore and total comprehensive income of ₹ (7.82) crore and ₹ (14.07) crore for the quarter and nine months ended December 31, 2022 respectively, as considered in the consolidated unaudited financial results, in respect of 2 associates and 3 joint ventures, based on their interim financial results / information which have not been reviewed by their auditors.



The Statement includes Parent's Company's proportionate share in the Jointly Controlled Expenses amounting to ₹ 1.96 crore and ₹ 5.24 crore and Income of ₹ 0.39 crore and ₹ 1.57 crore, for the quarter and nine months ended December 31, 2022 respectively, in respect of 17 unincorporated Joint Operations, which have been included based on unreviewed financial information. Our conclusion in respect of above is solely based on the management certified information.

The Group has not consolidated the financial results of one joint venture company 'Petronet India Limited' which is under liquidation.

According to the information and explanations given to us by the Management of the Parent, this financial results / financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matters.

8. The Consolidated Financial statements of the Company for the previous year ended March 31, 2022 were audited by the joint auditors one of which is predecessor audit firm and have expressed unmodified opinion on such financial statements vide their report dated May 19, 2022. Further the Consolidated financial results of the Company as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended, for the quarter and nine months ended December 31, 2021, were reviewed by the joint auditors one of which is predecessor audit firm and have issued their qualified conclusion on such results vide their Report dated January 31, 2022.

Our conclusion on the Statement is not modified in respect of the above matter.

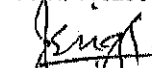
For C N K & Associates LLP
Chartered Accountants
FRN: 101961W/W-100036


Vijay Mehta
Partner

Membership No.: 106533
UDIN: 23106533BQXNEX9957



For J Singh & Associates
Chartered Accountants
FRN: 110266W


J Singh
Partner

Membership No.: 042023
UDIN: 23042023BGSBRZ1281



Place: Mumbai
Dated: February 09, 2023

HINDUSTAN PETROLEUM CORPORATION LIMITED

Regd. Office : 17, Jamshedji Tata Road, Mumbai - 400 020

WEBSITE : www.hindustanpetroleum.com, E-mail : corphqo@hpcl.in, CIN No: L23201MH1952GOI008858

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2022

(₹ in Crore)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
FINANCIAL PERFORMANCE						
1 Income						
(a) Sale of Products (Including Excise Duty) (refer Note # 3 below)	1,15,829.87	1,13,856.29	1,03,143.24	3,50,807.33	2,67,864.09	3,72,867.94
(b) Other Operating Revenue	381.50	361.19	345.51	1,117.97	912.41	1,259.05
(c) Other Income (refer Note # 4 below)	274.42	280.17	672.91	887.65	1,889.07	2,438.92
Total Income	1,16,485.79	1,14,497.65	1,04,161.66	3,52,812.95	2,70,665.57	3,76,565.91
2 Expenses						
(a) Cost of materials consumed	30,880.92	31,256.16	20,466.75	95,826.28	43,223.95	69,536.18
(b) Purchases of stock-in-trade	69,757.04	71,222.17	69,886.78	2,29,737.09	1,86,673.67	2,53,220.67
(c) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	2,538.91	2,107.17	314.98	3,574.17	2,061.80	(625.88)
(d) Excise Duty	6,523.41	5,754.99	6,820.00	19,272.50	16,498.07	24,213.81
(e) Employee benefits expense	727.03	748.13	632.43	2,188.97	2,266.45	3,017.35
(f) Finance Costs	693.47	603.33	244.03	1,636.99	662.54	997.32
(g) Depreciation and amortisation expense	1,122.82	1,093.55	1,034.64	3,322.32	2,920.96	4,000.36
(h) Other expenses (refer Note # 4 below)	4,110.04	4,643.56	3,710.87	13,663.11	10,613.90	14,520.53
Total Expenses	1,16,353.64	1,17,429.06	1,03,110.48	3,69,221.43	2,64,921.34	3,68,880.34
3 Profit/(Loss) before share in profit / (loss) of Joint Ventures / Associates, exceptional items and tax (1-2)	132.15	(2,931.41)	1,051.18	(16,408.48)	5,744.23	7,685.57
4 Share in profit / (loss) of Joint Ventures / Associates	289.47	(255.97)	578.23	1,711.69	896.17	1,458.05
5 Profit/(Loss) before exceptional items and tax (3+4)	421.62	(3,187.38)	1,629.41	(14,696.79)	6,640.40	9,143.62
6 Exceptional Items - Income/(Expenses)	-	-	-	-	-	-
7 Profit/(Loss) before tax (5+/-6)	421.62	(3,187.38)	1,629.41	(14,696.79)	6,640.40	9,143.62
8 Tax Expense						
(a) Current Tax	-	-	246.64	-	1,257.73	1,510.00
(b) Deferred Tax	23.33	(711.69)	29.78	(4,062.27)	263.49	526.41
(c) Short / (Excess) provision of tax of earlier years	(45.97)	-	-	(45.97)	(156.60)	(187.02)
Total Tax Expense	(22.64)	(711.69)	276.42	(4,108.24)	1,364.52	1,849.39
9 Net profit/(loss) for the period (7-8)	444.26	(2,475.69)	1,352.99	(10,588.55)	5,275.78	7,294.23
10 Other Comprehensive Income						
(a) Items that will not be reclassified to profit or loss (net of tax)	89.87	(207.32)	(163.83)	(81.87)	206.61	441.90
(b) Items that will be reclassified to profit or loss (net of tax)	(4.95)	232.14	(22.48)	(250.67)	(35.47)	(220.54)
Total Other Comprehensive Income	84.92	24.82	(186.31)	(332.54)	171.14	221.36
11 Total Comprehensive Income, for the period (9 +/- 10)	529.18	(2,450.87)	1,166.68	(10,921.09)	5,446.92	7,515.59
12 Paid up Equity Share Capital (Face value ₹ 10/- each)	1,418.55	1,418.55	1,418.55	1,418.55	1,418.55	1,418.55
13 Other Equity excluding Revaluation Reserves						39,985.27
14 Basic and Diluted Earnings Per Share (₹) (of ₹ 10/- each) (not annualised) (refer Note # 5 below)	3.14	(17.46)	9.54	(74.64)	37.13	51.36

Notes:

- The Audit Committee in its meeting held on February 08, 2023 has reviewed and recommended these results and the same have been subsequently approved by the Board of Directors in its meeting held on February 09, 2023.
- The Financial Results have been reviewed by the Statutory Auditors as required under Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Government of India had approved a one-time grant of ₹ 5,617 Crore to compensate under-recoveries incurred by holding company on sale of domestic LPG during financial year 2021-22 and current period, which has been duly recognized in the quarter ended September 2022 and nine months ended December 2022.
- Other Expenses for the period April - December, 2022 includes ₹ 1,951.53 Crore towards loss on account of foreign currency transactions and translations (April - December, 2021 : Gain of ₹ 182.05 Crore included in Other Income).
- The Basic and Diluted Earnings per Share (EPS) have been calculated after duly considering shares bought back (buy-back program had concluded on May 14, 2021). Thus, EPS for year ended March 31, 2022 and nine months ended December 31, 2021 are not comparable with other periods.



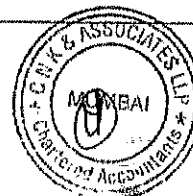
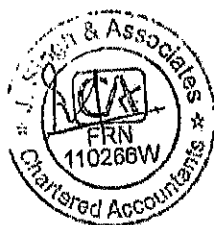
6 Consolidated Segment-wise Revenue, Results, Assets and Liabilities :

(₹ In Crore)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
1 SEGMENT REVENUE						
a) Downstream Petroleum	1,16,121.69	1,14,155.21	1,03,426.95	3,51,697.01	2,68,617.28	3,73,852.99
b) Others	104.79	64.01	70.38	264.72	198.70	344.10
Sub-Total	1,16,226.48	1,14,219.22	1,03,497.33	3,51,961.73	2,68,815.98	3,74,197.09
Less: Inter-Segment Revenue	15.11	1.74	8.58	36.43	39.48	70.10
Total Revenue	1,16,211.37	1,14,217.48	1,03,488.75	3,51,925.30	2,68,776.50	3,74,126.99
2 SEGMENT RESULTS						
a) Profit / (Loss) before Tax, Interest Income, Interest Expenditure and Dividend from each Segment						
i) Downstream Petroleum	644.82	(2,462.57)	1,169.64	(15,314.41)	5,810.30	8,071.97
ii) Others	(17.16)	(32.59)	(36.20)	(49.21)	(49.25)	(40.84)
Sub-Total of (a)	627.66	(2,495.16)	1,133.44	(15,363.62)	5,761.05	8,031.13
b) Finance Cost	693.47	603.33	244.03	1,636.99	662.54	997.32
c) Other Un-allocable Expenditure (Net of Un-allocable Income)	(197.96)	(167.08)	(161.77)	(592.13)	(645.72)	(651.76)
d) Share in profit / (loss) of Joint Ventures / Associates	289.47	(255.97)	578.23	1,711.69	896.17	1,458.05
Profit / (Loss) before tax (a-b-c+d)	421.62	(3,187.38)	1,629.41	(14,696.79)	6,840.40	9,143.62
3 SEGMENT ASSETS						
a) Downstream Petroleum	1,56,956.55	1,53,787.31	1,39,900.45	1,56,956.55	1,39,900.45	1,50,589.43
b) Others (Unallocated-Corporate)	4,598.07	4,415.49	3,265.61	4,598.07	3,265.61	4,038.76
Total	1,61,554.62	1,58,202.80	1,43,166.06	1,61,554.62	1,43,166.06	1,54,628.19
4 SEGMENT LIABILITIES						
a) Downstream Petroleum	1,30,156.38	1,27,545.80	1,01,962.27	1,30,156.38	1,01,962.27	1,11,117.99
b) Others (Unallocated-Corporate)	2,771.00	2,577.58	1,869.95	2,771.00	1,869.95	2,105.99
Total	1,32,927.38	1,30,124.38	1,03,832.22	1,32,927.38	1,03,832.22	1,13,223.98

Notes:

- i. There are no reportable segments other than downstream petroleum, as per para 13 of Ind AS 108 on Reporting of Operating Segments.
- ii. Segment Revenue comprises of the following:
 - a) Turnover
 - b) Subsidy / Grant from Government of India
 - c) Other Operating Revenues
- iii. There are no geographical segments.



7 Additional Disclosures as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 :

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2022 Un-Audited	30.09.2022 Un-Audited	31.12.2021 Un-Audited	31.12.2022 Un-Audited	31.12.2021 Un-Audited	31.03.2022 Audited
(a) Debt Equity Ratio (Times) Borrowings (Long Term + Short Term) / Equity	2.33	2.52	0.98	2.33	0.98	1.09
(b) Debt Service Coverage Ratio - Not Annualised (Times) (Profit after tax + Finance cost In P&L + Depreciation) / (Finance cost (P&L and Capitalized) + Principal Repayment (Long term borrowing and Lease Liabilities))	0.35	(0.62)	4.05	(0.65)	4.31	2.36
(c) Interest Service Coverage Ratio (Times) (Profit before tax + Finance cost In P&L + Depreciation) / Finance Cost (P&L and Capitalized)	1.88	(1.41)	6.08	(3.26)	6.73	6.36
(d) Capital Redemption Reserve (₹ In Crore)	106.83	106.83	106.83	106.83	106.83	106.83
(e) Debenture Redemption Reserve (₹ In Crore)	724.53	744.81	754.51	724.53	754.51	756.08
(f) Net Worth (₹ In Crore) (Equity share Capital + Other Equity)	28,627.24	28,078.42	39,333.84	28,627.24	39,333.84	41,404.21
(g) Current Ratio (Times) Current Assets / Current Liabilities	0.59	0.58	0.64	0.59	0.64	0.70
(h) Long Term debt to working capital (Times) Long Term Borrowing / Working Capital	(1.44)	(1.29)	(1.27)	(1.44)	(1.27)	(1.65)
(i) Bad Debt to Account receivable ratio (Times) Bad Debt / Average Trade Receivable	-	0.00	0.00	0.00	0.00	0.00
(j) Current Liability Ratio (Times) Current Liability / Total Liabilities	0.62	0.64	0.65	0.62	0.65	0.63
(k) Total debts to total assets (Times) (Borrowings (Long Term + Short Term)) / Total Assets	0.41	0.45	0.27	0.41	0.27	0.29
(l) Debtor Turnover - Not Annualised (Times) Sale of Product/Average Trade Receivable	21.13	22.99	14.65	55.60	37.61	56.45
(m) Inventory Turnover - Not Annualised (Times) Sale of Products / Average Inventory	3.94	3.52	3.59	10.96	9.46	11.60
(n) Operating Margin (%) (Profit before Exceptional Item and Tax + Finance Costs- Other Income)/ Revenue from Operations	0.72%	(2.51%)	1.16%	(3.96%)	2.01%	2.06%
(o) Net Profit Margin (%) Profit after Tax / Revenue from Operations	0.38%	(2.17%)	1.31%	(3.01%)	1.96%	1.95%

B Previous period figures have been regrouped/reclassified, wherever necessary.

Place : Mumbai
Date : February 09, 2023

By order of the Board

Rajneesh Narang
Director - Finance
DIN - 08188549



C N K & Associates LLP
Chartered Accountants
501/502, Narain Chambers, M.G. Road,
Vile Parle (East),
Mumbai - 400057

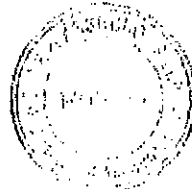
J Singh & Associates
Chartered Accountants
505-507, Hubtown Viva, W.E.
Highway, Shankarwadi, Andheri East,
Mumbai - 400060

Independent Auditors' Limited Review Report on Unaudited Standalone Financial Results of HINDUSTAN PETROLEUM CORPORATION LIMITED for the quarter and half year ended on September 30, 2022, pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors

HINDUSTAN PETROLEUM CORPORATION LIMITED

1. We have reviewed the accompanying statement of unaudited standalone financial results of **HINDUSTAN PETROLEUM CORPORATION LIMITED** ("the Company") for the quarter and half year ended September 30, 2022, ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except for the disclosures regarding (a) Physical Performance disclosed in Part B of the Statement and (b) Average Gross Refining Margins stated in Note no. 3 of the Statement. This Statement includes the results of the Visakh Refinery of the Company, which have been subjected to limited review by the Branch Auditor of the Company. The Branch Auditor's report dated October 14, 2022 was forwarded to us and the same has been dealt with in preparing this report, in the manner considered necessary by us.
2. This Statement which is the responsibility of the Company's Management and approved by its Board of Directors in their meeting held on November 3, 2022 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with the relevant rules issued there under and other recognised accounting practices and policies generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Indian Accounting Standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed or that it contains any material misstatement.



5. Other Matters

- a) The Statement includes Company's proportionate share in the Jointly Controlled Expenses amounting to ₹ 0.73 Crore and ₹ 3.28 Crore and Income of ₹ 0.61 Crore and ₹ 1.18 Crore, for the quarter and half year ended September 30, 2022, respectively, Assets of ₹ 6.16 Crore and Liability of ₹ 39.60 Crore as at September 30, 2022 in respect of 17 unincorporated Joint Operations, which have been included based on unreviewed financial information. Our conclusion in respect thereof is solely based on the management certified information.
- b) The Standalone Financial statements of the Company for the previous year ended March 31, 2022, were audited by the joint auditors one of which is predecessor audit firm and have expressed unmodified opinion on such financial statements vide their report dated May 19, 2022. Further the Standalone financial results of the Company as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended, for the quarter and half year ended September 30, 2021, and for the quarter ended on June 30, 2022, were reviewed by the joint auditors, one of which is predecessor audit firm and have issued their unmodified conclusion on such results vide their Report dated November 02, 2021, and August 06, 2022 respectively.

Our conclusion on the Statement is not modified in respect of the above matters.

For C N K & Associates LLP
Chartered Accountants

FRN: 101931W/W-100036


Vilay Mehta

Partner

Membership No.: 106533

UDIN: 22106533BBWEBO8762

Place: New Delhi

Dated: November 3, 2022



For J Singh & Associates
Chartered Accountants

FRN: 110266W

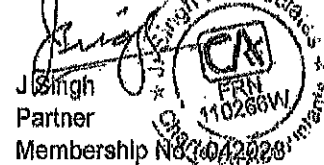

J Singh

Partner

Membership No: 22042023

UDIN:

22042023BBWKAV9582

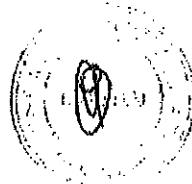


HINDUSTAN PETROLEUM CORPORATION LIMITED
 Regd. Office : 17, Jantahedji Tata Road, Mumbai - 400 020
 WEBSITE : www.hindustanpetroleum.com, E-mail : corphqo@hpcd.in, CIN No: L23201MH1952G01008858
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2022

Particulars	Quarter Ended			Six Months Ended		(% in Crores)
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
A. FINANCIAL PERFORMANCE						
1 Income						
(a) Sale of Products (including Excise Duty) (refer Note # 4 below)	113,811.23	121,073.86	87,310.62	234,885.09	164,819.15	372,641.60
(b) Other Operating Revenue	361.02	374.95	289.76	735.97	566.74	1,255.14
(c) Other Income (refer Note # 5 below)	280.51	339.71	669.18	620.22	1,259.75	2,969.68
Total Income	114,452.76	121,788.52	88,269.56	236,241.28	166,645.64	376,866.42
2 Expenses						
(a) Cost of materials consumed	31,236.28	33,706.71	12,051.98	64,962.99	22,784.75	69,435.87
(b) Purchases of stock-in-trade	71,220.28	88,735.89	65,216.32	159,975.97	116,783.34	253,209.37
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,074.36	(1,114.23)	(1,454.32)	960.13	1,679.19	(629.57)
(d) Excise Duty	5,784.98	6,994.10	4,935.93	12,749.09	9,678.07	24,213.81
(e) Employee benefits expense	739.46	706.00	782.84	1,445.46	1,618.73	2,982.45
(f) Finance Costs	594.96	332.66	154.46	927.62	408.64	972.73
(g) Depreciation and amortisation expense	1,080.90	1,094.46	947.27	2,175.36	1,861.19	3,969.11
(h) Other expenses (refer Note # 5 below)	4,824.75	4,895.10	3,667.84	9,519.85	6,873.59	14,508.95
Total Expenses	117,945.98	135,370.49	85,902.32	252,716.47	161,687.55	369,662.72
3 Profit/(Loss) before exceptional items and tax (1-2)	(2,893.22)	(13,581.97)	2,361.24	(16,475.19)	4,758.09	8,203.70
4 Exceptional items - Income/(Expenses)	-	-	-	-	-	-
5 Profit/(Loss) before tax (3+/-4)	(2,893.22)	(13,581.97)	2,361.24	(16,475.19)	4,758.09	8,203.70
6 Tax Expense						
(a) Current Tax	-	-	579.66	-	1,011.09	1,510.00
(b) Deferred Tax	(721.08)	(3,385.03)	14.57	(4,106.11)	185.09	498.09
(c) Short / (Excess) provision of tax of earlier years	-	-	(156.60)	-	(156.60)	(187.02)
Total Tax Expense	(721.08)	(3,385.03)	437.73	(4,106.11)	1,039.58	1,821.07
7 Net profit/(Loss) for the period (5-6)	(2,172.14)	(10,196.94)	1,923.51	(12,369.08)	3,718.51	6,382.63
8 Other Comprehensive Income						
A (i) Items that will not be reclassified to profit or loss	(206.12)	94.68	275.39	(171.44)	389.11	482.76
A (ii) Income tax relating to items that will not be reclassified to profit or loss	-	0.09	-	0.09	(0.29)	(43.57)
B (i) Items that will be reclassified to profit or loss	375.17	(544.14)	36.89	(168.97)	23.57	(185.31)
B (ii) Income tax relating to items that will be reclassified to profit or loss	(94.42)	136.95	(9.28)	42.53	(5.93)	46.84
Total Other Comprehensive Income	74.63	(372.42)	303.00	(207.79)	886.46	300.51
9 Total Comprehensive Income for the period (7 +/- 8)	(2,097.51)	(10,569.35)	2,226.51	(12,666.87)	4,104.97	6,683.14
10 Paid up Equity Share Capital (Face value ₹ 10/- each)	1,418.55	1,418.55	1,418.55	1,418.55	1,418.55	1,418.55
11 Other Equity excluding Revaluation Reserves	-	-	-	-	-	37,258.10
12 Basic and Diluted Earnings Per Share (₹) (of ₹ 10/- each) (not annualised) (refer note # 6 below)	(15.82)	(71.88)	13.56	(87.20)	28.15	44.94
B. PHYSICAL PERFORMANCE (in MMT)						
Crude Throughput	4.49	4.61	2.93	9.30	5.04	13.97
Market Sales						
- Domestic Sales	9.87	10.45	8.79	20.32	17.24	37.45
- Exports	0.52	0.25	0.31	0.77	0.69	1.69
Pipeline Throughput	5.53	5.75	4.75	11.28	9.09	15.91

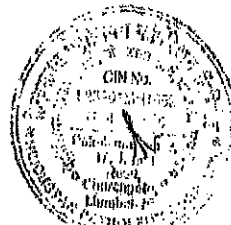
Notes:

- The Audit Committee in its meeting held on November 02, 2022 has reviewed these results and the same have been subsequently approved by the Board of Directors in their meeting held on November 03, 2022.
- The Financial Results have been reviewed by the Statutory Auditors as required under Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Average Gross Refining Margin (GRM) for the period April-September 2022 is \$ 12.62 per BBL (April-September 2021: \$ 2.87 per BBL). This is before factoring the impact of Special Additional Excise Duty and Road & Infrastructure Cess levied on export of select petroleum products, effective 01/07/2022. During this period, due to the depressed marketing margins on Motor Fuels and LPG, the profitability is impacted.
- Government of India has recently approved a one-time grant of ₹ 5,617 Crore to compensate under-recoveries incurred on sale of domestic LPG during financial year 2021-22 and current period, which has been duly recognized in July - September, 2022.
- Other Expenses for the period April - September, 2022 includes ₹ 1,548.51 Crore towards loss on account of foreign currency transactions and translations (April - September, 2021 : Gain of ₹ 41.45 Crore Included in Other Income).
- The Basic and Diluted Earnings per Share (EPS) have been calculated after duly considering shares bought back (buy-back program had concluded on May 14, 2021). Thus, EPS for year ended March 31, 2022 and six months ended September 30, 2021 are not comparable with other periods.
- Segment information is disclosed in Consolidated Financial Results.



8 STATEMENT OF ASSETS AND LIABILITIES AS ON

		₹ In Crores	
Particulars		30.09.2022	31.03.2022
		Un-Audited	Audited
ASSETS			
1	Non-Current Assets		
	(a) Property, Plant and Equipment	56,435.41	56,311.32
	(b) Capital Work-in-Progress	28,199.10	26,557.41
	(c) Intangible Assets	809.78	822.27
	(d) Intangible Assets Under Development	249.13	208.57
	(e) Financial Assets		
	(i) Investment in Subsidiaries, Joint Ventures and Associates	13,873.80	11,916.64
	(ii) Other Investments	484.84	653.56
	(iii) Loans	794.87	1,040.89
	(iv) Other Financial Assets	151.29	144.98
	(f) Other Non - Current Assets	3,059.17	2,935.08
		104,051.39	100,392.72
2	Current assets		
	(a) Inventories	30,160.12	35,345.61
	(b) Financial Assets		
	(i) Investments	5,154.59	5,371.52
	(ii) Trade Receivables	4,680.25	6,331.80
	(iii) Cash and Cash Equivalents	80.51	107.22
	(iv) Bank Balances other than cash and cash equivalents	31.55	23.74
	(v) Loans	122.29	244.98
	(vi) Other Financial Assets	7,035.48	1,519.06
	(c) Other Current Assets	654.17	563.22
		47,919.96	49,507.15
	Assets classified as held for Sale / Disposal	57.81	60.51
		47,977.77	49,567.66
	Total Assets	152,029.16	150,160.38
EQUITY AND LIABILITIES			
3	Equity		
	(a) Equity Share Capital	1,418.94	1,418.94
	(b) Other Equity	22,715.70	37,258.10
		24,134.64	38,677.04
	Liabilities		
4	Non Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	38,927.47	31,226.98
	(ia) Lease Liabilities	3,170.48	3,037.68
	(ii) Other Financial Liabilities	0.74	0.73
	(b) Provisions	42.45	44.97
	(c) Deferred Tax Liabilities (Net)	1,866.78	5,978.27
	(d) Other Non-Current Liabilities	488.82	445.16
		44,495.74	40,733.77
5	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	29,618.93	11,965.93
	(ia) Lease Liabilities	286.05	960.01
	(ii) Trade Payables:		
	Total outstanding dues of micro enterprises and small enterprises	325.51	401.46
	Total outstanding dues of creditors other than micro enterprises and small enterprises	20,141.07	26,046.44
	(iii) Other Financial Liabilities	21,749.34	22,446.42
	(b) Other Current Liabilities	3,379.54	6,426.38
	(c) Provisions	2,785.22	2,835.50
	(d) Current Tax Liabilities (Net)	112.02	267.43
		83,397.78	70,749.57
	Total Equity and Liabilities	152,029.16	150,160.38



9. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED

('€ in Crores)

Particulars	30.09.2022	30.09.2021
	Un-Audited	Un-Audited
A. Cash Flow From Operating Activities		
Profit/(Loss) Before Tax	(16,475.19)	4,758.09
Adjustments for:		
Depreciation and Amortization Expense	2,175.36	1,861.19
(Profit)/Loss on sale/write off of property, plant and equipment, Capital work-in-progress, Assets classified held for sale/disposal	(20.20)	14.50
Effective Portion of Gains/(loss) in a Cash Flow Hedge	(126.44)	17.64
Fair value (Gains)/Loss on Current Investments carried at FVTPL	216.94	(42.12)
Finance Costs	927.62	408.64
Foreign Currency Transaction and Translation (net)	1,090.67	53.81
Net Provision/(Reversal) for Doubtful Debts, Loans & Receivables	371.41	(438.33)
Interest Income on current investments	(182.40)	(184.51)
Dividend Income	(18.38)	(41.24)
Other Non-Cash Items	(0.71)	(0.20)
Operating Profit before Changes in Assets & Liabilities (Sub Total - (i))	(12,041.32)	6,407.47
Change in Assets and Liabilities :		
Decrease / (Increase) in Trade Receivables	1,568.42	122.49
Decrease / (Increase) in Loans and Other Assets	(5,789.82)	612.54
Decrease / (Increase) in Inventories	5,185.49	(822.01)
(Decrease) / Increase in Trade and Other Payables	(3,697.15)	7,560.78
Sub Total - (ii)	(2,732.86)	7,473.80
Cash Generated from Operations (i) + (ii)	(14,774.18)	13,881.27
Less : Direct Taxes paid (Net)	160.00	713.43
Net Cash Flow generated from/ (used in) Operating Activities (A)	(14,934.18)	13,167.86
B. Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment (including Capital Work in Progress / excluding interest capitalised)	(4,339.47)	(4,696.60)
Sale of Property, Plant and Equipment	45.40	31.16
Purchase of Investments in Subsidiaries, Associates and Joint Ventures (including share application money pending allotment/Advance towards Equity)	(1,731.71)	(1,300.71)
Purchase of Other Long Term Investments (including share application money pending allotment/Advance towards Equity)	-	(1.61)
Interest received	182.16	185.12
Dividend Received	5.00	39.18
Net Cash Flow generated from/ (used in) Investing Activities (B)	(5,898.62)	(5,743.46)
C. Cash Flow From Financing Activities		
Proceeds from Long term borrowings	7,359.13	3,777.80
Repayment of Long term borrowings and leasing liabilities	(370.71)	(360.39)
Proceeds / (repayment) of Short term borrowings	17,474.11	(3,775.21)
Finance Cost paid	(1,220.58)	(736.92)
Buy-back of equity shares (including tax)	-	(1,040.38)
Dividend paid	(1,983.40)	(3,217.62)
Net Cash Flow generated from/ (used in) Financing Activities (C)	21,258.55	(5,952.72)
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	485.75	2,071.68
Cash and cash equivalents at the beginning of the period	(2,100.43)	(2,305.46)
Cash and cash equivalents at the end of the period	(1,614.70)	(233.78)
Details of cash and cash equivalents at the end of the period		
Cash and cash equivalents are on:		
Balances with Banks:		
- on current accounts	74.48	70.04
- on non-operative current accounts	-	0.01
Cash on hand	6.03	5.01
Less : Cash Credits	(1,695.21)	(308.84)
	(1,614.70)	(233.78)



10 Additional Disclosures as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

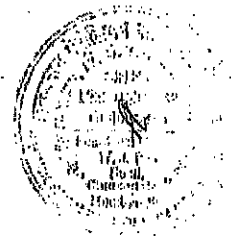
Particulars	Quarter Ended			Six Months Ended		Year Ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
(a) Debt Equity Ratio (Times) Borrowings (Long Term + Short Term) / Equity	2.84	1.68	1.05	2.84	1.05	1.12
(b) Debt Service Coverage Ratio - Not Annualised (Times) (Profit after tax + Finance cost in P&L + Depreciation) / (Finance cost (P&L and Capitalized) + Principal Repayment (Long term borrowing and Lease Liabilities))	(0.41)	(9.91)	4.85	(4.39)	4.30	2.20
(c) Interest Service Coverage Ratio (Times) (Profit before tax + Finance cost in P&L + Depreciation) / Finance Cost (P&L and Capitalized)	(1.19)	(17.09)	7.97	(7.69)	6.81	6.04
(d) Capital Redemption Reserve (₹ in Crore)	105.27	105.27	105.27	105.27	105.27	105.27
(e) Debenture Redemption Reserve (₹ in Crore)	625.00	625.00	625.00	625.00	625.00	625.00
(f) Net Worth (₹ in Crore) (Equity share Capital + Other Equity)	24,134.64	28,186.44	36,097.15	24,134.64	36,097.15	38,677.04
(g) Current Ratio (Times) Current Assets / Current Liabilities	0.57	0.58	0.69	0.57	0.69	0.70
(h) Long Term debt to working capital (Times) Long Term Borrowing / Working Capital	(1.22)	(1.13)	(1.48)	(1.22)	(1.48)	(1.65)
(i) Bad Debt to Account receivable ratio (Times) Bad Debt / Average Trade Receivable	0.00	-	0.00	0.00	0.00	0.00
(j) Current Liability Ratio (Times) Current Liability / Total Liabilities	0.65	0.67	0.63	0.65	0.63	0.63
(k) Total debts to total assets (Times) [Borrowings (Long Term + Short Term)] / Total Assets	0.45	0.32	0.28	0.45	0.28	0.29
(l) Debtor Turnover - Not Annualised (Times) Sale of Product / Average Trade Receivable	23.02	20.98	14.30	42.66	24.30	56.51
(m) Inventory Turnover - Not Annualised (Times) Sale of Products / Average Inventory	3.53	3.47	9.12	7.17	5.68	11.66
(n) Operating Margin (%) (Profit before Exceptional Item and Tax + Finance Costs- Other Income)/ Revenue from Operations	(2.26%)	(11.19%)	2.11%	(6.86%)	2.37%	1.56%
(o) Net Profit Margin (%) Profit after Tax / Revenue from Operations	(1.90%)	(8.40%)	2.20%	(5.25%)	2.25%	1.71%

11 Previous period figures have been regrouped/reclassified, wherever necessary.

Place : New Delhi
Date : November 03, 2022

By order of the Board

Rajneesh Narang
Director - Finance
DIN - 08188549



C N K & Associates LLP
Chartered Accountants
501/502, Narain Chambers, M.G. Road,
Vile Parle (East),
Mumbai - 400057

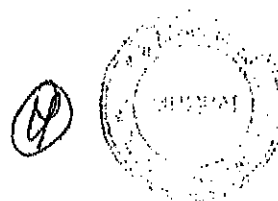
J Singh & Associates
Chartered Accountants
505-507, Hubtown Viva, W.E.
Highway, Shankarwadi, Andheri East,
Mumbai - 400060

Independent Auditors' Review Report on Consolidated Unaudited Financial Results of HINDUSTAN PETROLEUM CORPORATION LIMITED for the quarter and half year ended on September 30, 2022, pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
HINDUSTAN PETROLEUM CORPORATION LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of HINDUSTAN PETROLEUM CORPORATION LIMITED ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit / (loss) after tax and total comprehensive income / (loss) of its associates and joint ventures for the quarter and half year ended September 30, 2022 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors in their meeting held on November 3, 2022 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 as amended, read with the relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



4. The Statement includes the results of the following entities:

A. Parent

Hindustan Petroleum Corporation Limited

B. Subsidiaries

1. HPCL Biofuels Limited
2. HPCL Middle East FZCO #
3. Prize Petroleum Company Limited *
4. HPCL LNG Limited (Formerly known as HPCL Shapoorji Energy Private Limited)

C. Joint Ventures

1. HPCL - Mittal Energy Limited *
2. Hindustan Colas Private Limited *
3. South Asia LPG Company Private Limited
4. Bhagyanagar Gas Limited
5. Petronet MHB Limited
6. Aavantika Gas Limited
7. HPCL Rajasthan Refinery Limited
8. Godavari Gas Private Limited
9. Mumbai Aviation Fuel Farm Facility Private Limited
10. HPOIL Gas Private Limited
11. Ratnagiri Refinery and Petrochemicals Limited
12. IHB Limited

D. Associates

1. Mangalore Refinery and Petrochemicals Limited *
2. GSPL India Gasnet Limited
3. GSPL India Transco Limited

Incorporated/located outside India

* Based on Consolidated financial Statements

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of the Branch Auditor and other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Other Matters

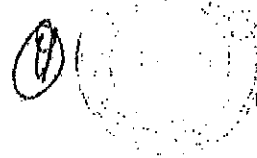
6. We did not review the financial results of Visakh Refinery which is considered as a branch and included in the standalone unaudited financial results of the Group, whose results reflect total assets of ₹ 34,281.48 Crore as at September 30, 2022 and total revenues of ₹ 15,991.59 Crore and ₹ 35,914.31 Crore, total net profit / (loss) after tax of ₹ (1,759.22) Crore and ₹ (604.57) crore and total comprehensive Income of ₹ (1,758.59) Crore and ₹ (604.61) Crore for the quarter and half year ended September 30, 2022 respectively, and its cash flows for the half year ended September 30, 2022 as considered in the branch's standalone unaudited financial results. The financial results of this branch have been reviewed by the Branch Auditor whose report dated October 14, 2022 has been furnished to us and our conclusion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of the Branch Auditor and the procedures performed by us as stated in paragraph 3 above.

We did not review the financial results of 1 subsidiary included in the consolidated unaudited financial results, whose financial results reflect total assets of ₹ 2,976.88 Crore as at September 30, 2022 and total revenues of ₹ (0.04) Crore and ₹ Nil, total net profit / (loss) after tax of ₹ (1.43) Crore and ₹ (3.66) Crore and total comprehensive Income of ₹ (1.37) Crore and ₹ (3.61) Crore for the quarter and half year ended September 30, 2022 respectively, and cash flows of ₹ 25.65 Crore for the half year ended September 30, 2022. The consolidated unaudited financial results also include the Group's share of net profit / (loss) after tax of ₹ (257.86) Crore and ₹ 1,397.56 Crore and total comprehensive Income of ₹ (293.44) Crore and ₹ 1,310.71 Crore for the quarter and half year ended September 30, 2022 respectively, as considered in the consolidated unaudited financial results, in respect of 1 associate and 6 joint ventures, whose financial results have not been reviewed by us. These financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

7. The consolidated unaudited financial results include the interim financial results/information of 3 subsidiaries (including the step-down subsidiary) which have not been reviewed by their auditors, whose interim financial results reflect total assets of ₹ 902.94 Crore as at September 30, 2022 and total revenues of ₹ 50.34 Crore and ₹ 119.77 Crore, total net profit / (loss) after tax of ₹ (45.39) Crore and ₹ (68.05) Crore and total comprehensive Income of ₹ (59.65) Crore and ₹ (100.90) Crore for the quarter and half year ended September 30, 2022 respectively, and cash flows of ₹ (0.22) Crore for the half year ended September 30, 2022, as considered in the consolidated unaudited financial results.

The consolidated unaudited financial results also include the Group's share of net profit / (loss) after tax of ₹ 10.20 Crore and ₹ 38.99 Crore and total comprehensive Income of ₹ 10.17 Crore and ₹ 38.97 Crore for the quarter and half year ended September 30, 2022 respectively, as considered in the consolidated unaudited financial results, in respect of 2 associates and 6 joint ventures, based on their interim financial results / information which have not been reviewed by their auditors.



The Statement includes Parent's Company's proportionate share in the Jointly Controlled Expenses amounting to ₹ 0.73 Crore and ₹ 3.28 Crore and Income of ₹ 0.61 Crore and ₹ 1.18 Crore, for the quarter and half year ended September 30, 2022 respectively, Assets of ₹ 6.16 Crore and Liability of ₹ 39.60 Crore as at September 30, 2022 in respect of 17 unincorporated Joint Operations, which have been included based on unreviewed financial information. Our conclusion in respect of above is solely based on the management certified information.

According to the information and explanations given to us by the Management of the Parent, this financial results / financial information are not material to the Group.


Our conclusion on the Statement is not modified in respect of the above matters.

8. The Consolidated Financial statements of the Company for the previous year ended March 31, 2022 were audited by the joint auditors one of which is predecessor audit firm and have expressed unmodified opinion on such financial statements vide their report dated May 19, 2022. Further the Consolidated financial results of the Company as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended, for the quarter and half year ended September 30, 2021, and for the quarter ended on June 30, 2022, were reviewed by the joint auditors one of which is predecessor audit firm and have issued their unmodified conclusion on such results vide their Report dated November 02, 2021, and August 06, 2022 respectively.

Our conclusion on the Statement is not modified in respect of the above matter.

For C N K & Associates LLP
Chartered Accountants

FRN: 101961W/W-100036


Vijay Mehta

Partner

Membership No.: 106533

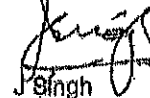
UDIN: 22106533BBWECR2790

Place: New Delhi

Dated: November 3, 2022

For J Singh & Associates
Chartered Accountants

FRN: 110266W


J Singh

Partner

Membership No.: 042028

UDIN: 22042023BBWKFE8703

HINDUSTAN PETROLEUM CORPORATION LIMITED
(Regd. Office : 17, Jamshedji Tata Road, Mumbai - 400 020)
WEBSITE : www.hindustanpetroleum.com, E-mail : corphqo@hpc.ln, CIN No: L23201MH1952GOI008858
STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2022

Particulars	Quarter Ended			Six Months Ended		Year Ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
FINANCIAL PERFORMANCE						
1 Income						
(a) Sale of Products (including Excise Duty) (refer Note # 3 below)	113,856.29	121,121.17	87,904.27	234,977.46	164,720.85	372,867.94
(b) Other Operating Revenue	961.19	375.28	289.83	736.47	566.90	1,259.03
(c) Other Income (refer Note # 4 below)	280.17	333.06	645.07	613.23	1,216.16	2,438.92
Total Income	114,497.55	121,829.51	88,299.19	236,327.16	166,503.91	376,565.91
2 Expenses						
(a) Cost of materials consumed	31,256.16	33,689.20	12,034.86	64,945.36	22,757.20	69,536.18
(b) Purchases of stock-in-trade	71,222.17	68,757.88	65,218.80	159,980.05	116,786.89	253,220.67
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,107.17	(1,071.91)	(1,420.60)	3,035.26	1,746.82	(625.88)
(d) Excise Duty	5,754.99	5,994.10	4,538.93	12,749.09	9,878.07	24,213.81
(e) Employee benefits expense	748.13	713.61	790.01	1,461.94	1,634.02	3,017.35
(f) Finance Costs	603.38	940.19	159.25	943.32	418.51	997.32
(g) Depreciation and amortisation expense	1,093.55	1,105.95	959.64	2,199.50	1,886.32	4,000.36
(h) Other expenses (refer Note # 4 below)	4,643.56	4,909.51	3,682.55	9,553.07	6,593.03	14,520.59
Total Expenses	117,429.06	135,438.73	85,960.45	252,867.79	161,810.86	368,880.34
3 Profit/(Loss) before share in profit / (loss) of Joint Ventures /Associates, exceptional items and tax (1-2)	(2,931.41)	(13,609.22)	2,388.74	(16,540.63)	4,693.05	7,685.57
4 Share in profit / (loss) of Joint Ventures /Associates	(285.97)	1,378.19	17.71	1,422.22	317.94	1,458.05
5 Profit/(Loss) before exceptional items and tax (3+4)	(3,187.38)	(11,931.03)	2,956.45	(15,118.41)	5,010.99	9,143.62
6 Exceptional Items - Income/(Expenses)	-	-	-	-	-	-
7 Profit/(Loss) before tax (5+-6)	(3,187.38)	(11,931.03)	2,956.45	(15,118.41)	5,010.99	9,143.62
8 Tax Expense						
(a) Current Tax	-	-	579.66	-	1,011.09	1,510.00
(b) Deferred Tax	(711.69)	(3,373.91)	14.50	(4,083.60)	233.71	526.41
(c) Short / (Excess) provision of tax of earlier years	-	-	(156.60)	-	(156.60)	(187.02)
Total Tax Expense	(711.69)	(3,373.91)	437.56	(4,083.60)	1,088.20	1,849.39
9 Net profit/(loss) for the period (7-8)	(2,475.69)	(8,557.12)	1,918.89	(11,032.81)	3,922.79	7,294.23
10 Other Comprehensive Income						
(a) Items that will not be reclassified to profit or loss (net of tax)	(207.32)	35.58	275.94	(171.74)	370.44	441.80
(b) Items that will be reclassified to profit or loss (net of tax)	232.14	(477.86)	40.47	(245.72)	(12.99)	(220.54)
Total Other Comprehensive Income	24.82	(442.28)	316.41	(417.46)	357.45	221.26
11 Total Comprehensive Income, for the period (9 +/- 10)	(2,450.87)	(8,999.40)	2,235.30	(11,450.27)	4,280.24	7,515.59
12 Paid up Equity Share Capital (Face value ₹ 10/- each)	1,418.55	1,418.55	1,418.55	1,418.55	1,418.55	1,418.55
13 Other Equity excluding Revaluation Reserves	-	-	-	-	-	39,985.27
14 Basic and Diluted Earnings Per Share (₹) (of ₹ 10/- each) (not annualised) (refer Note # 5 below)	(17.46)	(60.32)	13.53	(77.78)	27.59	51.36

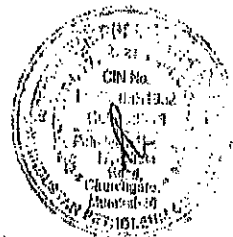
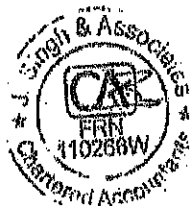
Notes:

- The Audit Committee in its meeting held on November 02, 2022 has reviewed these results and the same have been subsequently approved by the Board of Directors in their meeting held on November 03, 2022.
- The Financial Results have been reviewed by the Statutory Auditors as required under Regulation 3B and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Government of India has recently approved a one-time grant of ₹ 5,617 Crore to compensate under-recoveries incurred by the holding company on sale of domestic LPG during financial year 2021-22 and current period, which has been duly recognized in July - September, 2022.
- Other Expenses for the period April - September, 2022 includes ₹ 1,549.03 Crore towards loss on account of foreign currency transactions and translations (April - September, 2021 : Gain of ₹ 40.48 Crore included in Other Income).
- The Basic and Diluted Earnings per Share (EPS) have been calculated after duly considering shares bought back (buy-back program had concluded on May 14, 2021). Thus, EPS for year ended March 31, 2022 and six months ended September 30, 2021 are not comparable with other periods.



6 STATEMENT OF ASSETS AND LIABILITIES AS ON

		(₹ in Crore)	
Particulars		30.09.2022	31.03.2022
		Un-Audited	Audited
ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment		57,099.87	56,982.17
(b) Capital Work-in-Progress		30,701.95	28,645.09
(c) Goodwill on Consolidation		321.62	321.62
(d) Other Intangible Assets		809.81	822.31
(e) Intangible Assets under development		312.83	262.15
(f) Investment in Joint Ventures and Associates		15,800.62	12,840.27
(g) Financial Assets			
(i) Other Investments		484.84	655.56
(ii) Loans		794.87	925.89
(iii) Other Financial Assets		151.57	145.55
(h) Other Non - Current Assets		3,401.28	3,281.52
		109,879.27	104,892.13
2 Current Assets			
(a) Inventories		30,296.33	35,514.71
(b) Financial Assets			
(i) Investments		5,154.59	5,371.52
(ii) Trade Receivables		4,684.01	6,340.31
(iii) Cash and Cash Equivalents		232.57	233.85
(iv) Bank Balances other than cash and cash equivalents		31.83	24.12
(v) Loans		137.24	155.18
(vi) Other Financial Assets		7,020.25	1,508.00
(c) Other Current Assets		643.90	537.86
		48,165.72	49,685.53
Assets classified as held for Sale / Disposal		57.81	60.51
		48,223.53	49,746.06
Total Assets		158,202.80	154,628.19
EQUITY AND LIABILITIES			
3 Equity			
(a) Equity Share Capital		1,418.94	1,418.94
(b) Other Equity		26,659.48	29,935.27
		28,078.42	31,404.21
Liabilities			
4 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		41,069.34	32,115.28
(ia) Lease Liabilities		8,285.09	3,150.74
(ii) Other Financial Liabilities		1.89	0.87
(b) Provisions		107.61	103.11
(c) Deferred Tax Liabilities (Net)		1,866.73	5,957.71
(d) Other Non-Current Liabilities		499.92	456.70
		46,890.58	41,784.41
5 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		29,680.56	12,863.45
(ia) Lease Liabilities		296.56	368.28
(ii) Trade Payables			
Outstanding dues of micro enterprises and small enterprises		379.27	402.21
Outstanding dues of creditor other than micro enterprises and small		20,171.13	26,075.12
(iii) Other Financial Liabilities		21,880.49	22,598.89
(b) Other Current Liabilities		8,387.35	6,437.49
(c) Provisions		2,436.42	2,486.70
(d) Current Tax Liabilities (Net)		112.02	267.43
		83,293.80	71,439.57
Total Equity and Liabilities		158,202.80	154,628.19



7 STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED

Particulars	(₹ in Crore)	
	30.09.2022 Un-Audited	30.09.2021 Un-Audited
A. Cash Flow From Operating Activities		
Profit/(Loss) Before Tax	(15,118.41)	5,010.99
Adjustments for:		
Depreciation and Amortization Expense	2,199.50	1,895.32
(Gain)/Loss on sale/write off of property, plant and equipment, Capital work-in-progress, Assets classified held for sale/disposal	(20.21)	14.50
Effective Portion of Gains/(loss) in a Cash Flow Hedge	(126.44)	17.54
Fair value (Gains)/Loss on Current Investments carried at FVTPL	216.94	(42.12)
Finance Costs	943.52	418.51
Foreign Currency Transaction and Translation (net)	1,057.72	47.11
Net Provision/(Reversal) for Doubtful Debts, Loans & Receivables / Bad debts written off	371.42	(438.93)
Interest Income on current Investments	(185.13)	(187.16)
Dividend Income	(13.38)	-
Share of Profit from Associate and Joint Venture companies	(1,422.22)	(317.94)
Other Non-Cash Items	(0.62)	(0.39)
Operating Profit before Changes in Assets and Liabilities (Sub Total - (I))	(12,097.31)	6,409.13
Change in Assets and Liabilities :		
Decrease / (Increase) in Trade Receivables	1,573.05	126.48
Decrease / (Increase) in Loans and Other Assets	(3,839.91)	621.85
Decrease / (Increase) in Inventories	5,258.38	(756.50)
(Decrease) / Increase in Trade and Other Payables	(3,647.22)	7,440.76
Sub Total - (II)	(2,655.70)	7,432.60
Cash Generated from Operations (I) + (II)	(14,759.01)	13,841.73
Less : Direct Taxes paid (Net)	160.00	713.41
Net Cash Flow generated from/ (used in) Operating Activities (A)	(14,919.01)	13,128.32
B. Cash Flow From Investing Activities		
Purchase of Property, Plant & Equipment (including Capital Work In Progress / excluding Interest capitalised)	(4,661.90)	(5,530.17)
Sale of Property, Plant & Equipment	45.60	31.16
Purchase of Investments (including share application money pending allotment/Advances towards Equity)	(1,730.00)	(1,216.01)
Interest received	183.30	187.93
Dividend received from Associate and Joint Venture companies	5.00	39.13
Net Cash Flow generated from / (used in) Investing Activities (B)	(6,158.00)	(6,487.91)
C. Cash Flow From Financing Activities		
Proceeds from Long term borrowings	8,568.20	3,777.80
Repayment of Long term borrowings and leasing liabilities	(370.71)	(362.58)
Proceeds / (repayment) of Short term borrowings	16,674.27	(3,128.62)
Finance Cost paid	(1,270.12)	(745.01)
Buy-back of equity shares (including tax)	-	(1,040.38)
Dividend paid	(1,989.40)	(3,217.62)
Net Cash Flow generated from / (used in) Financing Activities (C)	21,662.24	(4,717.21)
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	547.23	1,923.20
Cash and cash equivalents at the beginning of the period	(2,071.50)	(2,070.65)
Cash and cash equivalents at the end of the period	(1,524.27)	(147.45)
Details of cash and cash equivalents at the end of the period:		
Cash and cash equivalents as on		
Balances with Banks:		
-on current accounts	128.71	80.64
-on non-operative current accounts	-	0.01
Cash on hand	6.03	5.01
Balances with other banks	97.83	131.52
Less : Cash Credits	(1,756.84)	(364.63)
	(1,524.27)	(147.45)



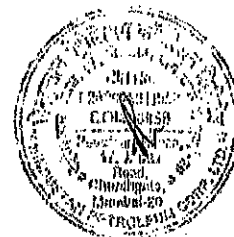
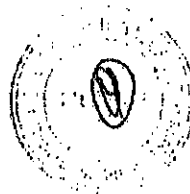
8 Consolidated Segment-wise Revenue, Results, Assets and Liabilities :

(₹ in Crore)

Particulars	Quarter Ended			Six Months Ended		Year Ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
1 SEGMENT REVENUE						
a) Downstream Petroleum	114,155.21	121,420.11	87,603.57	235,575.32	165,190.33	373,852.99
b) Others	64.01	95.62	69.64	159.93	120.32	344.10
Sub-Total	114,219.22	121,516.03	87,673.21	235,735.25	165,310.65	374,197.09
Less: Inter-Segment Revenue	1.74	19.58	19.09	21.32	30.80	70.10
Total Revenue	114,217.48	121,496.45	87,654.12	235,713.93	165,279.75	374,126.99
2 SEGMENT RESULTS						
a) Profit / (Loss) before Tax, Interest Income, Interest Expenditure and Dividend from each Segment						
i) Downstream Petroleum	(2,462.57)	(13,496.56)	2,289.13	(15,959.23)	4,840.66	8,071.97
ii) Others	(32.59)	0.54	(0.48)	(32.05)	(13.05)	(40.84)
Sub-Total of (a)	(2,495.16)	(13,496.12)	2,288.70	(15,991.28)	4,827.61	8,031.13
b) Finance Cost	603.33	340.19	159.26	943.52	418.51	997.32
c) Other Un-allocable Expenditure (Net of Un-allocable Income)	(167.08)	(227.09)	(239.30)	(394.17)	(488.95)	(651.76)
d) Share in profit / (loss) of Joint Ventures / Associates	(255.97)	1,678.18	17.71	1,422.22	317.84	1,458.05
Profit / (Loss) before tax (a-b-c+d)	(3,187.38)	(11,931.03)	2,956.45	(15,118.41)	5,010.99	9,148.62
3 SEGMENT ASSETS						
a) Downstream Petroleum	153,787.31	131,970.33	137,048.79	153,787.31	137,048.79	130,589.43
b) Others (Unallocated-Corporate)	4,415.49	4,244.26	3,010.15	4,415.49	3,010.15	4,086.76
Total	158,202.80	136,214.59	140,058.94	158,202.80	140,058.94	134,676.19
4 SEGMENT LIABILITIES						
a) Downstream Petroleum	127,546.80	121,374.11	100,297.06	127,546.80	100,297.06	111,117.99
b) Others (Unallocated-Corporate)	2,577.58	2,856.91	1,594.71	2,577.58	1,594.71	2,105.99
Total	130,124.38	124,231.02	101,891.77	130,124.38	101,891.77	113,223.98

Notes:

- i. There are no reportable segments other than downstream petroleum, as per para 13 of Ind AS 108 on Reporting of Operating Segments.
- ii. Segment Revenue comprises of the following:
 - a) Turnover
 - b) Subsidy / Grant from Government of India
 - c) Other Operating Revenues
- iii. There are no geographical segments.



9 Additional Disclosures as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

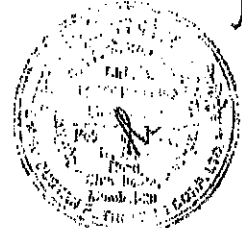
Particulars	Quarter Ended			Six Months Ended		Year Ended
	30.09.2022 Un-Audited	30.06.2022 Un-Audited	30.09.2021 Un-Audited	30.09.2022 Un-Audited	30.09.2021 Un-Audited	31.03.2022 Audited
(a) Debt Equity Ratio (Times) Borrowings (Long Term + Short Term) / Equity	2.52	1.52	1.02	2.52	3.02	1.09
(b) Debt Service Coverage Ratio - Not Annualised (Times) (Profit after tax + Finance cost in P&L + Depreciation) / (Finance cost (P&L and Capitalized) + Principal Repayment (Long term borrowing and Lease Liabilities))	(0.62)	(7.83)	4.83	(3.65)	4.41	2.36
(c) Interest Service Coverage Ratio (Times) (Profit before tax + Finance cost in P&L + Depreciation) / Finance Cost (P&L and Capitalized)	(1.41)	(14.27)	7.91	(6.68)	7.09	6.36
(d) Capital Redemption Reserve (₹ in Crore)	106.83	106.83	106.83	106.83	106.83	106.83
(e) Debenture Redemption Reserve (₹ in Crore)	744.81	757.60	753.48	744.81	753.48	756.08
(f) Net Worth (₹ in Crore) (Equity share Capital + Other Equity)	28,078.42	32,483.57	38,167.17	28,078.42	38,167.17	41,404.21
(g) Current Ratio (Times) Current Assets / Current Liabilities	0.58	0.59	0.60	0.58	0.69	0.70
(h) Long Term debt to working capital (Times) Long Term Borrowing / Working Capital	(1.29)	(1.20)	(1.48)	(1.29)	(1.48)	(1.65)
(i) Bad Debt to Account receivable ratio (Times) Bad Debt / Average Trade Receivable	0.00	-	0.00	0.00	0.00	0.00
(j) Current Liability Ratio (Times) Current Liability / Total Liabilities	0.64	0.66	0.63	0.64	0.63	0.63
(k) Total debts to total assets (Times) (Borrowings (Long Term + Short Term)) / Total Assets	0.45	0.92	0.28	0.45	0.28	0.29
(l) Debtor Turnover - Not Annualised (Times) Sale of Product / Average Trade Receivable	22.99	20.95	14.29	41.63	24.27	56.45
(m) Inventory Turnover - Not Annualised (Times) Sale of Products / Average Inventory	3.52	3.46	8.11	7.15	5.65	11.60
(n) Operating Margin (%) (Profit before Exceptional Item and Tax + Finance Costs - Other Income) / Revenue from Operations	(2.51%)	(9.81%)	2.18%	(6.27%)	2.55%	2.06%
(o) Net Profit Margin (%) Profit after Tax / Revenue from Operations	(2.17%)	(7.04%)	2.10%	(4.68%)	2.87%	1.95%

10 Previous period figures have been regrouped/reclassified, wherever necessary.

Place : New Delhi
Date : November 08, 2022

By order of the Board

Rajneesh Narang
Director - Finance
DIN - 08188549



[illegible]

1. Existing Practice (as reported from literature) today expressed by the word.
2. Proposed related early intervention service OR The Comprehensive Intervention Program (see p. 20).



Annexure – IX

**AUDITED CONSOLIDATED AND STANDALONE FINANCIAL
STATEMENTS (PROFIT AND LOSS STATEMENT, BALANCE
SHEET AND CASH FLOW STATEMENT) OF THE ISSUER FOR
EACH OF THE FINANCIAL YEARS ENDED
MARCH 31, 2022, MARCH 31, 2021, MARCH 31, 2020**

R. Devendra Kumar & Associates
Chartered Accountants
205, Blue Rose Industrial Estate,
Western Express Highway, Borivali East,
Mumbai 400 066

C N K & Associates LLP
Chartered Accountants
501/502, Narain Chambers, M.G. Road,
Vile Parle (East),
Mumbai – 400057

Independent Auditors' Limited Review Report on Unaudited Standalone Financial Results of HINDUSTAN PETROLEUM CORPORATION LIMITED for the quarter ended June 30, 2022, pursuant to the Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors

HINDUSTAN PETROLEUM CORPORATION LIMITED

1. We have reviewed the accompanying statement of unaudited standalone financial results of **HINDUSTAN PETROLEUM CORPORATION LIMITED** ("the Company") for the quarter ended June 30, 2022, ("the Statement"), being submitted by the Company pursuant to the requirement of Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except for the disclosures regarding (a) Physical Performance disclosed in Part B of the Statement and (b) Average Gross Refining Margins stated in Note no. 4 of the Statement. This Statement includes the results of the Visakh Refinery of the Company, which have been subjected to limited review by the Branch Auditor of the Company. The Branch Auditor's report dated July 14, 2022, was forwarded to us and the same has been dealt with in preparing this report, in the manner considered necessary by us.
2. This Statement which is the responsibility of the Company's Management and approved by its Board of Directors in their meeting held on August 6, 2022 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with the relevant rules issued there under and other recognised accounting practices and policies generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Indian Accounting Standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed or that it contains any material misstatement.



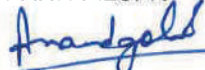
5. Other Matters

- a) The Statement includes Company's proportionate share in the Jointly Controlled Expenses amounting to ₹ 2.55 Crore and Income of ₹ 0.57 Crore, for the quarter ended June 30, 2022, respectively, in respect of 17 unincorporated Joint Operations, which have been included based on unreviewed financial information. Our conclusion in respect thereof is solely based on the management certified information.
- b) The Standalone financial results of the Company as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended, for the quarter ended June 30, 2021, were reviewed by the joint auditors, one of which is predecessor audit firm and have issued their unmodified conclusion on such results vide their Report dated August 04, 2021.

Our conclusion on the Statement is not modified in respect of the above matters.

For R. Devendra Kumar & Associates
Chartered Accountants

FRN: 114207W



Anand Golas

Partner

Membership No.: 400322

UDIN: 22400322AOKMQB1060



For C N K & Associates LLP
Chartered Accountants

FRN: 101961W/W-100036



Vijay Mehta

Partner

Membership No.: 106533

UDIN: 22106533AOKHPU4089



Place: New Delhi

Dated: August 06, 2022

HINDUSTAN PETROLEUM CORPORATION LIMITED
 Regd. Office : 17, Jamshedji Tata Road, Mumbai - 400 020
 WEBSITE : www.hindustanpetroleum.com, E-mail : corphqo@hpcl.in, CIN No: L23201MH1952GOI008858
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2022

Particulars	Quarter Ended		Year Ended	
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	Un-Audited	Audited	Un-Audited	Audited
A. FINANCIAL PERFORMANCE				
1 Income				
(a) Sale of Products (including Excise Duty)	121,073.86	104,942.25	77,308.53	372,641.60
(b) Other Operating Revenue	374.95	346.23	276.98	1,255.14
(c) Other Income	339.71	1,597.87	596.57	2,969.68
Total Income	121,788.52	106,886.35	78,182.08	376,866.42
2 Expenses				
(a) Cost of materials consumed	33,706.71	26,295.17	10,732.77	69,435.87
(b) Purchases of stock-in-trade	88,755.69	66,541.61	51,567.02	253,209.37
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,114.23)	(2,695.50)	3,133.51	(629.57)
(d) Excise Duty	6,994.10	7,715.74	5,142.14	24,213.81
(e) Employee benefits expense	706.00	741.62	835.94	2,982.45
(f) Finance Costs	332.66	328.31	254.18	972.73
(g) Depreciation and amortisation expense	1,094.46	1,083.24	913.92	3,969.11
(h) Other expenses (refer Note # 5 below)	4,895.10	4,591.21	3,205.75	14,508.95
Total Expenses	135,370.49	104,601.40	75,785.23	368,662.72
3 Profit/(Loss) before exceptional items and tax (1-2)	(13,581.97)	2,284.95	2,396.85	8,203.70
4 Exceptional Items - Income/(Expenses)	-	-	-	-
5 Profit/(Loss) before tax (3+/-4)	(13,581.97)	2,284.95	2,396.85	8,203.70
6 Tax Expense				
(a) Current Tax	-	252.27	431.43	1,510.00
(b) Deferred Tax	(3,385.03)	267.84	170.42	498.09
(c) Short / (Excess) provision of tax of earlier years	-	(30.42)	-	(187.02)
Total Tax Expense	(3,385.03)	489.69	601.85	1,821.07
7 Net profit/(Loss) for the period (5-6)	(10,196.94)	1,795.26	1,795.00	6,382.63
8 Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss	34.68	277.63	93.72	482.75
A (ii) Income tax relating to Items that will not be reclassified to profit or loss	0.09	(43.28)	(0.29)	(43.57)
B (i) Items that will be reclassified to profit or loss	(544.14)	(172.13)	(13.32)	(185.31)
B (ii) Income tax relating to Items that will be reclassified to profit or loss	136.95	43.32	3.35	46.64
Total Other Comprehensive Income	(372.42)	105.54	83.46	300.51
9 Total Comprehensive Income for the period (7 +/- 8)	(10,569.36)	1,900.80	1,878.46	6,683.14
10 Paid up Equity Share Capital (Face value ₹ 10/- each)	1,418.55	1,418.55	1,418.55	1,418.55
11 Other Equity excluding Revaluation Reserves				37,258.10
12 Basic and Diluted Earnings Per Share (₹) (of ₹ 10/- each) (not annualised) (refer note # 6 below)	(71.88)	12.66	12.60	44.94
B. PHYSICAL PERFORMANCE (in MMT)				
Crude Thruput	4.81	4.69	2.51	13.97
Market Sales				
- Domestic Sales	10.45	10.26	8.45	37.45
- Exports	0.25	0.41	0.38	1.69
Pipeline Thruput	5.75	5.32	4.34	19.91

Notes:

- The Audit Committee has reviewed these results and the same have been subsequently approved by the Board of Directors in their meeting held on August 06, 2022.
- The Financial Results have been reviewed by the Statutory Auditors as required under Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Comptroller and Auditor General of India (C&AG) had conducted a supplementary audit of the Standalone Financial Statements for the year ended March 31, 2022 under the Companies Act, 2013. C&AG has stated that on the basis of their audit, nothing significant has come to their knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report for the year ended March 31, 2022.
- Average Gross Refining Margin (GRM) for the period April-June 2022 is \$ 15.69 per BBL (April-June 2021 : \$ 3.31 per BBL). During the current quarter, due to erosion in the marketing margins on Motor Fuels and LPG, the profitability is adversely impacted.
- Other Expense for the period April - June, 2022 includes ₹ 945.40 Crore (April - June, 2021 : ₹ 71.35 Crore) towards loss on account of foreign currency transactions and translations.
- The Basic and Diluted Earnings per Share (EPS) have been calculated after duly considering shares bought back (buy-back program had concluded on May 14, 2021). Thus, EPS for current & preceding quarter are not comparable with other periods.
- The figures for the quarter ended March 31, 2022 represent the difference between the audited figures in respect of full financial year and the unaudited figures of nine months ended December 31, 2021.
- Segment information is disclosed in Consolidated Financial Results.

FOR IDENTIFICATION ONLY



9 Additional Disclosures as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

Particulars	Quarter Ended			Year Ended
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	Un-Audited	Audited	Un-Audited	Audited
(a) Debt Equity Ratio (Times) Borrowings (Long Term + Short Term) / Equity	1.68	1.12	0.95	1.12
(b) Debt Service Coverage Ratio - Not Annualised (Times) (Profit after tax + Finance cost in P&L + Depreciation) / (Finance cost (P&L and Capitalized) + Principal Repayment (Long term borrowing and Lease Liabilities))	(9.91)	1.03	3.86	2.20
(c) Interest Service Coverage Ratio (Times) (Profit before tax + Finance cost in P&L + Depreciation) / Finance Cost (P&L and Capitalized)	(17.09)	5.46	5.97	6.04
(d) Capital Redemption Reserve (₹ in Crore)	105.27	105.27	105.27	105.27
(e) Debenture Redemption Reserve (₹ in Crore)	625.00	625.00	625.00	625.00
(f) Net Worth (₹ in Crore) (Equity share Capital + Other Equity)	28,186.44	38,677.04	37,107.39	38,677.04
(g) Current Ratio (Times) Current Assets / Current Liabilities	0.58	0.70	0.69	0.70
(h) Long Term debt to working capital (Times) Long Term Borrowing / Working Capital	(1.13)	(1.65)	(1.51)	(1.65)
(i) Bad Debt to Account receivable ratio (Times) Bad Debt / Average Trade Receivable	-	0.00	-	0.00
(j) Current Liability Ratio (Times) Current Liability / Total Liabilities	0.67	0.63	0.62	0.63
(k) Total debts to total assets (Times) [Borrowings (Long Term + Short Term)] / Total Assets	0.32	0.29	0.27	0.29
(l) Debtor Turnover - Not Annualised (Times) Sale of Product / Average Trade Receivable	20.98	15.32	12.49	56.51
(m) Inventory Turnover - Not Annualised (Times) Sale of Products / Average Inventory	3.47	3.33	2.80	11.66
(n) Operating Margin (%) (Profit before Exceptional Item and Tax + Finance Costs- Other Income)/ Revenue from Operations	(11.19%)	0.96%	2.65%	1.66%
(o) Net Profit Margin (%) Profit after Tax / Revenue from Operations	(8.40%)	1.71%	2.31%	1.71%

10 Previous period figures have been regrouped/reclassified, wherever necessary.

Place : New Delhi
Date : August 06, 2022

By order of the Board

Rajneesh Narang
Director - Finance
DIN - 08188549



R. Devendra Kumar & Associates
Chartered Accountants
205, Blue Rose Industrial Estate,
Western Express Highway, Borivali East,
Mumbai - 400066

C N K & Associates LLP
Chartered Accountants
501/502, Narain Chambers, M.G. Road,
Vile Parle (East),
Mumbai - 400057

Independent Auditors' Limited Review Report on Consolidated Unaudited Financial Results of HINDUSTAN PETROLEUM CORPORATION LIMITED for the quarter ended June 30, 2022, pursuant to the Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
HINDUSTAN PETROLEUM CORPORATION LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **HINDUSTAN PETROLEUM CORPORATION LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit / (loss) after tax and total comprehensive income / (loss) of its associates and joint ventures for the quarter ended June 30, 2022 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors in their meeting held on August 06, 2022 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 as amended, read with the relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



9



4. The Statement includes the results of the following entities:

A. Parent

Hindustan Petroleum Corporation Limited

B. Subsidiaries

1. HPCL Biofuels Limited
2. HPCL Middle East FZCO #
3. Prize Petroleum Company Limited *
4. HPCL LNG Limited (Formerly known as HPCL Shapoorji Energy Private Limited)

C. Joint Ventures

1. HPCL - Mittal Energy Limited *
2. Hindustan Colas Private Limited*
3. South Asia LPG Company Private Limited
4. Bhagyanagar Gas Limited
5. Petronet MHB Limited
6. Aavantika Gas Limited
7. HPCL Rajasthan Refinery Limited
8. Godavari Gas Private Limited
9. Mumbai Aviation Fuel Farm Facility Private Limited
10. HPOIL Gas Private Limited
11. Ratnagiri Refinery and Petrochemicals Limited
12. IHB Limited.

D. Associates

1. Mangalore Refinery and Petrochemicals Limited *
2. GSPL India Gasnet Limited
3. GSPL India Transco Limited

Incorporated/located outside India

* Based on Consolidated financial Statements

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of the Branch Auditor and other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is required to be disclosed, or that it contains any material misstatement.



Other Matters

6. We did not review the financial results of Visakh Refinery which is considered as a branch and included in the standalone unaudited financial results of the Parent, whose results reflect total revenues of ₹ 19,922.72 crore, total net profit after tax of ₹ 1,154.65 crore and total comprehensive income of ₹ 1,153.98 crore for the quarter ended June 30, 2022, as considered in the branch's standalone unaudited financial results. The financial results of this branch have been reviewed by the Branch Auditor whose report dated July 14, 2022 has been furnished to us and our conclusion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of the Branch Auditor and the procedures performed by us as stated in paragraph 3 above.

We did not review the financial results of 1 subsidiary included in the consolidated unaudited financial results, whose financial results reflect total revenues of ₹ 0.04 crore, total net profit/(loss) after tax of ₹ (2.23) crore and total comprehensive income of ₹ (2.24) crore for the quarter ended June 30, 2022. The consolidated unaudited financial results also include the Group's share of net profit/ (loss) after tax of ₹ 1,665.67 crore and total comprehensive income of ₹ 1,614.40 crores for the quarter ended June 30, 2022, as considered in the consolidated unaudited financial results, in respect of 1 associate and 8 joint ventures, whose financial results have not been reviewed by us. These financial results have been reviewed by other auditors whose reports have been furnished to us by the Management of the parent and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

7. The consolidated unaudited financial results include the interim financial results/information of 3 subsidiaries (including the step-down subsidiary) which have not been reviewed by their auditors, whose interim financial results reflect total revenues of ₹ 69.43 crore, total net profit/ (loss) after tax of ₹ (22.67) crore and total comprehensive income of ₹ (41.25) crore for the quarter ended June 30, 2022, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also include the Group's share of net profit/ (loss) after tax of ₹ 18.53 crore and total comprehensive income of ₹ 18.55 crore for the quarter ended June 30, 2022, as considered in the consolidated unaudited financial results, in respect of 2 associates and 4 joint ventures, based on their interim financial results / information which have not been reviewed by their auditors.

The Statement includes Parent's Company's proportionate share in the Jointly Controlled Expenses amounting to ₹ 2.55 crore and Income of ₹ 0.57 crore, for the quarter ended June 30, 2022 respectively, in respect of 17 unincorporated Joint Operations, which have been included based on unreviewed financial information. Our conclusion in respect of above is solely based on the management certified information.

According to the information and explanations given to us by the Management of the Parent, this financial results / financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matters.

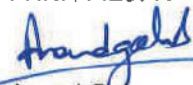


8. The consolidated financial results of the Company as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended, for the quarter ended June 30, 2021, were reviewed by the joint auditors one of which is predecessor audit firm and have issued their unmodified conclusion on such results vide their Report dated August 04, 2021.

Our conclusion on the Statement is not modified in respect of the above matter.

For R. Devendra Kumar & Associates
Chartered Accountants

FRN: 114207W



Anand Geras

Partner

Membership No.: 400322

UDIN: 22400322AOKNOY2961



For C N K & Associates LLP
Chartered Accountants

FRN: 101961W/W-100036



Vijay Mehta

Partner

Membership No.: 106533

UDIN: 22106533AOKHRK5082



Place: New Delhi

Dated: August 06, 2022

HINDUSTAN PETROLEUM CORPORATION LIMITED
 Regd. Office : 17, Jamshedji Tata Road, Mumbai - 400 020
 WEBSITE : www.hindustanpetroleum.com, E-mail : corphqo@hpcil.in, CIN No: L23201MH1952GOI008858
STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2022

(₹ in Crore)

Particulars	Quarter Ended		Year Ended	
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	Un-Audited	Audited	Un-Audited	Audited
FINANCIAL PERFORMANCE				
1 Income				
(a) Sale of Products (Including Excise Duty)	121,121.17	105,003.85	77,356.58	372,867.94
(b) Other Operating Revenue	375.28	346.64	277.05	1,259.05
(c) Other Income	333.06	1,183.35	571.09	2,438.92
Total Income	121,829.51	106,533.84	78,204.72	376,565.91
2 Expenses				
(a) Cost of materials consumed	33,689.20	26,312.23	10,722.34	69,536.18
(b) Purchases of stock-in-trade	88,757.88	66,547.00	51,568.09	253,220.67
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,071.91)	(2,687.68)	3,167.42	(625.88)
(d) Excise Duty	6,994.10	7,715.74	5,142.14	24,213.81
(e) Employee benefits expense	713.81	750.90	844.01	3,017.35
(f) Finance Costs	340.19	334.78	259.25	997.32
(g) Depreciation and amortisation expense	1,105.95	1,079.40	926.68	4,000.36
(h) Other expenses (refer Note # 4 below)	4,909.51	4,540.13	3,220.48	14,520.53
Total Expenses	135,438.73	104,592.50	75,850.41	368,880.34
3 Profit/(Loss) before share in profit / (loss) of Joint Ventures /Associates, exceptional items and tax (1-2)	(13,609.22)	1,941.34	2,354.31	7,685.57
4 Share in profit / (loss) of Joint Ventures /Associates	1,678.19	561.88	300.23	1,458.05
5 Profit/(Loss) before exceptional items and tax (3+4)	(11,931.03)	2,503.22	2,654.54	9,143.62
6 Exceptional Items - Income/(Expenses)	-	-	-	-
7 Profit/(Loss) before tax (5+/-6)	(11,931.03)	2,503.22	2,654.54	9,143.62
8 Tax Expense				
(a) Current Tax	-	252.27	431.43	1,510.00
(b) Deferred Tax	(3,373.91)	262.92	219.21	526.41
(c) Short / (Excess) provision of tax of earlier years	-	(30.42)	-	(187.02)
Total Tax Expense	(3,373.91)	484.77	650.64	1,849.39
9 Net profit/(loss) for the period (7-8)	(8,557.12)	2,018.45	2,003.90	7,294.23
10 Other Comprehensive Income				
(a) Items that will not be reclassified to profit or loss (net of tax)	35.58	235.29	94.50	441.90
(b) Items that will be reclassified to profit or loss (net of tax)	(477.86)	(185.07)	(53.46)	(220.54)
Total Other Comprehensive Income	(442.28)	50.22	41.04	221.36
11 Total Comprehensive Income, for the period (9 +/- 10)	(8,999.40)	2,068.67	2,044.94	7,515.59
12 Paid up Equity Share Capital (Face value ₹ 10/- each)	1,418.55	1,418.55	1,418.55	1,418.55
13 Other Equity excluding Revaluation Reserves				39,985.27
14 Basic and Diluted Earnings Per Share (₹) (of ₹ 10/- each) (not annualised) (refer Note # 5 below)	(60.32)	14.23	14.06	51.36

Notes:

- The Audit Committee has reviewed these results and the same have been subsequently approved by the Board of Directors in their meeting held on August 06, 2022.
- The Financial Results have been reviewed by the Statutory Auditors as required under Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Comptroller and Auditor General of India (C&AG) had conducted a supplementary audit of the Consolidated Financial Statements for the year ended March 31, 2022 under the Companies Act, 2013. C&AG has stated that on the basis of their audit, nothing significant has come to their knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report for the year ended March 31, 2022.
- Other Expense for the period April - June, 2022 includes ₹ 945.05 Crore (April - June, 2021 : ₹ 71.54 Crore) towards loss on account of foreign currency transactions and translations.
- The Basic and Diluted Earnings per Share (EPS) have been calculated after duly considering shares bought back (buy-back program had concluded on May 14, 2021). Thus, EPS for current & preceding quarter are not comparable with other periods.
- The figures for the quarter ended March 31, 2022 represent the difference between the audited figures in respect of full financial year and the unaudited figures of nine months ended December 31, 2021.

FOR IDENTIFICATION ONLY



(Signature)



7 Consolidated Segment-wise Revenue, Results, Assets and Liabilities :

(₹ in Crore)

Particulars	Quarter Ended		Year Ended	
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	Un-Audited	Audited	Un-Audited	Audited
1 SEGMENT REVENUE				
a) Downstream Petroleum	121,420.11	105,235.71	77,586.76	373,852.99
b) Others	95.92	145.40	58.68	344.10
Sub-Total	121,516.03	105,381.11	77,645.44	374,197.09
Less: Inter-Segment Revenue	19.58	30.62	11.81	70.10
Total Revenue	121,496.45	105,350.49	77,633.63	374,126.99
2 SEGMENT RESULTS				
a) Profit / (Loss) before Tax, Interest Income, Interest Expenditure and Dividend from each Segment				
i) Downstream Petroleum	(13,496.66)	2,261.67	2,381.53	8,071.97
ii) Others	0.54	8.41	(12.62)	(40.84)
Sub-Total of (a)	(13,496.12)	2,270.08	2,368.91	8,031.13
b) Finance Cost	340.19	334.78	259.25	997.32
c) Other Un-allocable Expenditure (Net of Un-allocable Income)	(227.09)	(6.04)	(244.65)	(651.76)
d) Share in profit / (loss) of Joint Ventures / Associates	1,678.19	561.88	300.23	1,458.05
Profit / (Loss) before tax {a-b-c+d}	(11,931.03)	2,503.22	2,654.54	9,143.62
3 SEGMENT ASSETS				
a) Downstream Petroleum	151,970.33	150,589.43	130,501.85	150,589.43
b) Others (Unallocated-Corporate)	4,244.26	4,038.76	2,753.79	4,038.76
Total	156,214.59	154,628.19	133,255.64	154,628.19
4 SEGMENT LIABILITIES				
a) Downstream Petroleum	121,374.11	111,117.99	92,764.15	111,117.99
b) Others (Unallocated-Corporate)	2,356.91	2,105.99	1,322.87	2,105.99
Total	123,731.02	113,223.98	94,087.02	113,223.98

Notes:

- There are no reportable segments other than downstream petroleum, as per para 13 of Ind AS 108 on Reporting of Operating Segments.
- Segment Revenue comprises of the following:
 - Turnover
 - Subsidy from Government of India
 - Other Operating Revenues
- There are no geographical segments.

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8 Additional Disclosures as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 :

Particulars	Quarter Ended			Year Ended
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	Un-Audited	Audited	Un-Audited	Audited
(a) Debt Equity Ratio (Times) Borrowings (Long Term + Short Term) / Equity	1.52	1.09	0.92	1.09
(b) Debt Service Coverage Ratio - Not Annualised (Times) (Profit after tax + Finance cost in P&L + Depreciation) / (Finance cost (P&L and Capitalized) + Principal Repayment (Long term borrowing and Lease Liabilities))	(7.83)	1.09	4.07	2.36
(c) Interest Service Coverage Ratio (Times) (Profit before tax + Finance cost in P&L + Depreciation) / Finance Cost (P&L and Capitalized)	(14.27)	5.56	6.38	6.36
(d) Capital Redemption Reserve (₹ in Crore)	106.83	106.83	106.83	106.83
(e) Debenture Redemption Reserve (₹ in Crore)	757.60	756.08	775.43	756.08
(f) Net Worth (₹ in Crore) (Equity share Capital + Other Equity)	32,483.57	41,404.21	39,168.62	41,404.21
(g) Current Ratio (Times) Current Assets / Current Liabilities	0.59	0.70	0.69	0.70
(h) Long Term debt to working capital (Times) Long Term Borrowing / Working Capital	(1.20)	(1.65)	(1.55)	(1.65)
(i) Bad Debt to Account receivable ratio (Times) Bad Debt / Average Trade Receivable	-	0.00	-	0.00
(j) Current Liability Ratio (Times) Current Liability / Total Liabilities	0.66	0.63	0.62	0.63
(k) Total debts to total assets (Times) [Borrowings (Long Term + Short Term)] / Total Assets	0.32	0.29	0.27	0.29
(l) Debtor Turnover - Not Annualised (Times) Sale of Product/Average Trade Receivable	20.95	15.31	12.48	56.45
(m) Inventory Turnover - Not Annualised (Times) Sale of Products / Average Inventory	3.46	3.31	2.79	11.60
(n) Operating Margin (%) (Profit before Exceptional Item and Tax + Finance Costs- Other Income)/ Revenue from Operations	(9.81%)	1.57%	3.02%	2.06%
(o) Net Profit Margin (%) Profit after Tax / Revenue from Operations	(7.04%)	1.92%	2.58%	1.95%

9 Previous period figures have been regrouped/reclassified, wherever necessary.

Place : New Delhi
Date : August 06, 2022

By order of the Board

Rajneesh Narang
Rajneesh Narang
Director - Finance
DIN - 08188549

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R. Devendra Kumar & Associates
Chartered Accountants
205, Blue Rose Industrial Estate,
Western Express Highway, Borivali East,
Mumbai 400 066

C N K & Associates LLP
Chartered Accountants
501/502, Narain Chambers, M.G. Road,
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Mumbai - 400057

Independent Auditors' Report on the Audited Standalone Financial Results of HINDUSTAN PETROLEUM CORPORATION LIMITED for the quarter and year ended March 31, 2022, pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
HINDUSTAN PETROLEUM CORPORATION LIMITED

Report on the Audit of the Standalone Financial Results

Opinion

We have audited the accompanying statement of Standalone Financial Results of Hindustan Petroleum Corporation Limited ("the Company") for the quarter and year ended March 31, 2022, (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), except for the disclosures regarding (a) Physical Performance disclosed in Part B of the Statement and (b) Average Gross Refining Margins stated in Note no. 5 of the Statement.

In our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

- are presented in accordance with the requirements of Regulation 33 and 52 of the Listing Regulations in this regard; and
- give a true and fair view in conformity with the applicable Indian Accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of the Standalone Financial Results" 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 Results for the quarter and year ended March 31, 2022 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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Management's Responsibilities for the Standalone Financial Results

These standalone financial results, have been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Regulation 33 and 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditors' 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 Results.

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



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors in terms of the requirement specified under Regulation 33 and 52 of the Listing Regulations;
- Conclude on the appropriateness of the Board of Directors' 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 Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial results 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 auditors' 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 these standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matters

- a. We did not audit the financial statements and other financial information of Visakh Refinery which is considered as a branch and included in the Standalone Financial Statements of the Company, whose financial statements reflect total assets of ₹ 35,757.06 crore as at March 31, 2022 and total revenues of ₹ 17,916.64 crore and ₹ 57,464.87 crore, total net profit before tax of ₹ 1,405.06 crore and ₹ 1,905.61 crore and total comprehensive income of ₹ 1,426.29 crore and ₹ 1,926.98 crore for the quarter and year ended March 31, 2022 respectively, as considered in the branch's standalone financial statements. The financial statements of the Visakh Refinery have been audited by the Branch Auditors of the Company. The Branch Auditors' report dated April 29, 2022, has been forwarded to us and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor.
- b. The Statement includes Company's proportionate share in the Jointly Controlled Expenses amounting to ₹ (0.99) crore and ₹ 8.68 crore and Income of ₹ 0.56 crore and ₹ 1.86 crore, for the quarter and year ended March 31, 2022 respectively, in respect of 17 unincorporated Joint Operations, which have been included based on unaudited financial information. Our opinion in respect of above is based solely on the management certified information.
- c. The Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of full financial year ended March 31, 2022 and the published unaudited year to date figures up to the third quarter of the current financial year, which were subjected to limited review by us, as required under the Listing Regulations.



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- d. The Standalone Financial Results of the Company as per the Regulations for the quarter and year ended March 31, 2021, were audited by the joint auditors, one of which is predecessor audit firm and have issued their unmodified opinion on such results vide their Report dated May 20, 2021.

Our opinion on the Statement is not modified in respect of the above matters.

For R. Devendra Kumar & Associates
Chartered Accountants
FRN:114207W


Anand Gelas
Partner

Membership No. 400322
UDIN: 22400322AJGCWC2495



For C N K Associates & LLP
Chartered Accountants
FRN:101961W/W- 100036


Vijay Mehta
Partner

Membership No. 106533
UDIN: 22106533AJFYOS4122



Place: Mumbai
Date: May 19, 2022

HINDUSTAN PETROLEUM CORPORATION LIMITED
 Regd. Office : 17, Janshodhi Tota Road, Mumbai - 400 020
 WEBSITE : www.hindustanpetroleum.com, E-mail : corp.hq@hpcil.in, CIN No: L23201MH3952G000858
STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2022

(₹ in Crores)

Particulars	Quarter Ended			Year Ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	Audited	Un-Audited	Audited	Audited	Audited
A. FINANCIAL PERFORMANCE					
1 Income					
(a) Sale of Products (including Excise Duty)	104,942.25	109,080.20	84,904.75	372,641.60	269,242.86
(b) Other Operating Revenue	346.23	342.17	298.80	1,255.14	1,093.46
(c) Other Income (refer Note # 7 & 10 below)	1,597.87	550.40	544.37	2,909.08	2,738.73
Total Income	106,886.35	109,972.77	85,748.12	376,805.82	273,115.05
2 Expenses					
(a) Cost of materials consumed	26,295.17	20,355.95	15,255.58	69,435.87	44,462.40
(b) Purchases of stock-in-trade	66,541.61	69,884.42	53,488.56	253,209.37	164,894.66
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,695.50)	386.74	(3,576.77)	(629.57)	(8,512.96)
(d) Excise Duty	7,715.74	6,820.00	10,360.13	24,213.81	37,529.51
(e) Employee benefits expense	741.52	622.05	435.19	2,982.45	3,188.38
(f) Finance Costs	328.31	235.78	205.26	972.73	914.73
(g) Depreciation and amortisation expense	1,083.24	1,024.68	937.18	3,969.11	3,512.65
(h) Other expenses (refer Note # 10 below)	4,591.21	3,482.49	4,574.48	14,508.95	13,458.89
Total Expenses	104,681.40	102,812.11	81,679.61	368,662.72	258,868.25
3 Profit/(Loss) before exceptional items and tax (1-2)	2,204.95	1,160.66	4,068.51	8,203.70	14,246.79
4 Exceptional Items - Income/(Expenses)	-	-	-	-	-
5 Profit/(Loss) before tax (3+4)	2,204.95	1,160.66	4,068.51	8,203.70	14,246.79
6 Tax Expense					
(a) Current Tax	252.27	246.64	1,181.73	1,510.00	3,569.58
(b) Deferred Tax	267.84	45.16	(147.81)	498.09	(3.28)
(c) Short / (Excess) provision of tax of earlier years (refer Note # 6 below)	(30.42)	-	16.63	(187.02)	16.63
Total Tax Expense	489.69	291.80	1,050.55	1,821.07	3,582.91
7 Net profit/(Loss) for the period (5-6)	1,795.26	868.86	3,017.96	6,382.63	10,663.88
8 Other Comprehensive Income					
A (i) Items that will not be reclassified to profit or loss	277.63	(163.99)	(78.15)	682.75	(16.36)
A (ii) Income tax relating to items that will not be reclassified to profit or loss	(43.28)	-	29.94	(43.57)	31.02
B (i) Items that will be reclassified to profit or loss	(172.13)	(36.75)	60.91	(185.31)	(1.14)
B (ii) Income tax relating to items that will be reclassified to profit or loss	43.82	9.25	(15.33)	46.64	0.29
Total Other Comprehensive Income	105.54	(191.49)	(2.63)	300.51	13.81
9 Total Comprehensive Income for the period (7 +/- 8)	1,900.80	677.37	3,015.33	6,683.14	10,677.69
10 Paid up Equity Share Capital (Face value ₹ 10/- each) (refer note # 8 below)	1,418.55	1,418.55	1,452.02	1,418.55	1,452.02
11 Other Equity excluding Revaluation Reserves				37,258.10	34,733.70
12 Basic and Diluted Earnings Per Share (₹) (of ₹ 10/- each) (not annualised) (refer note # 9 below)	12.66	6.12	20.43	44.94	70.57
B. PHYSICAL PERFORMANCE (in MMT)					
Crude Thruput	4.69	4.24	4.39	13.97	16.42
Market Sales					
- Domestic Sales	10.26	9.95	9.83	37.45	35.20
- Exports	0.41	0.59	0.31	1.69	1.39
Pipeline Thruput	5.32	5.50	5.98	19.91	19.12

Notes:

- The Audit Committee has reviewed these results and the same have been subsequently approved by the Board of Directors in their meeting held on May 19, 2022.
- The Financial Results have been audited by the Statutory Auditors as required under Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Statutory Auditors have issued unmodified opinion on the Standalone Financial Results for the quarter and year ended March 31, 2022.
- The Audited Accounts are subject to supplementary audit by the Comptroller & Auditor General of India under section 143 (6) of the Companies Act, 2013.
- The Board has recommended a final dividend of ₹ 14 per equity share.
- Average Gross Refining Margin during the year ended March 31, 2022 was US \$ 7.19 per BBL as against US \$ 3.86 per BBL during the corresponding previous year.
- Short or (excess) provision for tax of earlier years, for the year ended March 31, 2022 includes ₹ (180.18) Crore reversed during the year, pursuant to the decision for non-participation under Direct Tax Vivad se Vishwas Act, 2020, in respect of few assessment years.
- Other Income for the period April - March, 2022 includes ₹ 95.79 Crore (April - March, 2021 : ₹ 1,010.86 Crore) towards gain on account of foreign currency transactions and translations.
- The shares buy-back program, which commenced on November 17, 2020 has concluded on May 14, 2021. During the entire buy-back period, a total 10,52,74,280 shares, representing 6.91% of paid up Share Capital (prior to commencement of buy-back) having a face value of ₹ 105,27,42,800/- have been bought back and extinguished.

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9. The Basic and Diluted Earnings per Share (EPS) have been calculated after duly considering shares bought back till the respective periods. Thus, except for current & preceding quarter, EPS for the rest of the periods is not comparable.
10. Considering recoverability of loan provided to Pradhan Mantri Ujjwala Yojana (PMUY) beneficiaries; basic consumption of LPG refills and Management Estimates of future cash inflows (derived from the prevailing subsidy through which the loan is recovered), necessary loss allowance is provided and the carrying value of loan outstanding as at Balance Sheet date is re-measured. Other Expenses for the period April - March, 2022 includes ₹ 493.17 Crore (April - March, 2021 : ₹ 841.29 Crore including ₹ 390.67 Crore towards loss allowance) towards impact of re-measurement of carrying value of loan and amortization of pre-paid asset. Other Income for the period April - March, 2022 includes ₹ 599.56 Crore (April - March, 2021: ₹ 177.51 Crore of interest unwinding only) towards reversal of loss allowance and impact of interest unwinding in the re-measurement of carrying value of loan.
11. The figures for the quarter ended March 31, 2022 and March 31, 2021 represent the difference between the audited figures in respect of full financial year and the unaudited figures of nine months ended December 31, 2021 and December 31, 2020 respectively.
12. Segment information is disclosed in Consolidated Financial Results.

13. STATEMENT OF ASSETS AND LIABILITIES AS ON

(₹ in Crore)

Particulars	31.03.2022	31.03.2021
	Audited	Audited
ASSETS		
1 Non-Current Assets		
(a) Property, Plant and Equipment	56,311.32	49,260.87
(b) Capital Work-in-Progress	16,557.41	24,053.26
(c) Intangible Assets	822.27	639.46
(d) Intangible Assets Under Development	208.57	180.24
(e) Financial Assets		
(i) Investment in Subsidiaries, Joint Ventures and Associates	11,916.64	9,233.21
(ii) Other Investments	655.56	341.96
(iii) Loans	1,040.85	1,001.24
(iv) Other Financial Assets	144.58	151.49
(f) Other Non-Current Assets	2,931.29	2,762.69
	100,548.93	87,624.62
2 Current assets		
(a) Inventories	35,345.61	28,592.17
(b) Financial Assets		
(i) Investments	5,371.52	5,417.58
(ii) Trade Receivables	6,331.80	6,856.81
(iii) Cash and Cash Equivalents	107.22	155.29
(iv) Bank Balances other than cash and cash equivalents	29.74	81.91
(v) Loans	244.98	124.63
(vi) Other Financial Assets	1,519.05	1,761.98
(c) Other Current Assets	567.01	626.16
	48,510.94	43,616.03
Assets classified as held for Sale / Disposal	60.51	12.67
	48,571.45	43,628.70
Total Assets	150,160.38	131,253.32
EQUITY AND LIABILITIES		
3 Equity		
(a) Equity Share Capital	1,418.94	1,452.41
(b) Other Equity	37,258.10	34,733.70
	38,677.04	36,186.11
Liability		
4 Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	31,226.98	24,464.54
(ii) Lease Liabilities	3,037.66	2,006.18
(iii) Other Financial Liabilities	0.73	0.89
(b) Provisions	44.97	31.68
(c) Deferred Tax Liabilities (Net)	5,978.27	5,511.09
(d) Other Non-Current Liabilities	485.16	370.04
	40,733.77	32,983.42
5 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	11,965.93	15,544.37
(ii) Lease Liabilities	360.01	301.77
(iii) Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	401.46	131.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	26,066.44	16,349.53
(ii) Other Financial Liabilities	71,846.47	20,560.78
(b) Other Current Liabilities	6,476.38	5,685.63
(c) Provisions	1,835.50	1,164.86
(d) Current Tax Liabilities (Net)	367.43	351.72
	70,749.57	62,983.79
Total Equity and Liabilities	150,160.38	131,253.32

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14. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED

(₹ in Crore)

Particulars	31.03.2022 Audited	31.03.2021 Audited
A. Cash Flow From Operating Activities		
Profit/(Loss) Before Tax	8,203.70	14,246.79
Adjustments for:		
Depreciation and Amortization Expense	3,969.11	3,552.65
(Profit)/Loss on sale/write off of property, plant and equipment, Capital work-in-progress, Assets classified held for sale/disposal	(190.50)	51.30
Gain / (Loss) on Remeasurement of Defined benefit plans	129.51	(92.24)
Effective Portion of Gains/(Loss) in a Cash flow Hedge	(138.67)	(0.85)
Impairment of Non-current Investments	28.00	50.00
Fair value (Gains)/Loss on Current Investments carried at FVTPL	45.78	(72.90)
Finance Costs	972.73	914.72
Foreign Currency Transaction and Translation (net)	159.75	(565.23)
Provision for Doubtful Debts, Loans & Receivables / Bad debts written off	(628.32)	699.70
Interest Income on current Investments	(370.90)	(379.94)
Dividend Received	(532.59)	(314.95)
Other Non-Cash Items	2.79	0.21
Operating Profit before Changes in Assets & Liabilities (Sub Total - (i))	11,690.43	18,089.27
Change in Assets and Liabilities :		
Decrease / (Increase) in Trade Receivables	524.25	(3,074.22)
Decrease / (Increase) in Loans and Other Assets	889.57	5,378.06
Decrease / (Increase) in Inventories	(6,757.14)	(9,452.09)
(Decrease) / Increase in Trade and Other Payables	11,293.09	9,906.42
Sub Total - (ii)	5,650.37	2,818.17
Cash Generated from Operations (i) + (ii)	17,340.80	20,907.44
Less : Direct Taxes paid (Net)	1,451.05	3,185.16
Net Cash Flow generated from/ (used in) Operating Activities (A)	15,889.75	17,722.28
B. Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment (including Capital Work in Progress / excluding interest capitalised)	(11,001.13)	(11,235.34)
Sale of Property, Plant and Equipment	318.93	58.35
Purchase of Investments in Subsidiaries, Associates and Joint Ventures (Including share application money pending allotment)	(2,701.08)	(2,239.88)
Purchase of Other Long Term Investments (Including share application money pending allotment/Advance towards Equity)	(5.99)	(5.14)
Interest received	371.36	378.85
Dividend Received	532.59	314.95
Net Cash Flow generated from / (used in) Investing Activities (B)	(12,565.32)	(12,728.21)
C. Cash Flow From Financing Activities		
Proceeds from Long term borrowings	12,148.34	5,448.91
Repayment of Long term borrowings and leasing liabilities	(2,969.57)	(4,279.71)
Proceeds / (repayment) of Short term borrowings	(6,363.74)	(599.91)
Finance Cost paid	(1,671.18)	(1,564.41)
Buy-back of equity shares (Including tax)	(1,040.38)	(1,913.47)
Dividend paid	(3,222.89)	(1,484.41)
Net Cash Flow generated from / (used in) Financing Activities (C)	(3,119.42)	(4,393.00)
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	205.01	601.07
Cash and cash equivalents at the beginning of the period	(2,305.46)	(2,906.53)
Cash and cash equivalents at the end of the period	(2,100.45)	(2,305.46)
Details of cash and cash equivalents at the end of the period		
Cash and cash equivalents as on	31.03.2022	31.03.2021
Balances with Banks:		
- on current accounts	101.36	150.54
- on non-operative current accounts	-	0.01
Cash on hand	5.86	4.34
Less : Cash Credits	(2,207.67)	(2,460.75)
	(2,100.45)	(2,305.46)



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15. Additional Disclosures as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

Particulars	Quarter Ended			Year Ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	Audited	Un-Audited	Audited	Audited	Audited
(a) Debt Equity Ratio (Times) Borrowings (Long Term + Short Term) / Equity	1.12	1.01	1.31	1.32	1.11
(b) Debt Service Coverage Ratio - Not Annualised (Times) (Profit after tax + Finance cost in P&L + Depreciation) / (Finance cost (P&L and Capitalized) + Principal Repayment (Long term borrowing and Lease Liabilities))	1.03	3.32	0.90	2.20	2.56
(c) Interest Service Coverage Ratio (Times) (Profit before tax + Finance cost in P&L + Depreciation) / Finance Cost (P&L and Capitalized)	5.96	5.15	12.01	6.04	11.45
(d) Capital Redemption Reserve (₹ in Crore)	105.27	105.27	71.80	105.27	71.80
(e) Debenture Redemption Reserve (₹ in Crore)	625.00	625.00	625.00	625.00	625.00
(f) Net Worth (₹ in Crore) (Equity share Capital + Other Equity)	36,677.04	36,774.52	36,186.11	36,677.04	36,186.11
(g) Current Ratio (Times) Current Assets / Current Liabilities	0.70	0.64	0.70	0.70	0.70
(h) Long Term debt to working capital (Times) Long Term Borrowing / Working Capital	(1.65)	(1.27)	(1.36)	(1.65)	(1.36)
(i) Bad Debt to Account receivable ratio (Times) Bad Debt / Average Trade Receivable	0.00	0.00	0.00	0.00	0.00
(j) Current Liability Ratio (Times) Current Liability / Total Liabilities	0.63	0.65	0.65	0.63	0.65
(k) Total debts to total assets (Times) [Borrowings (Long Term + Short Term)] / Total Assets	0.29	0.27	0.30	0.29	0.30
(l) Debtor Turnover - Not Annualised (Times) Sale of Product / Average Trade Receivable	15.32	14.66	13.82	16.51	49.96
(m) Inventory Turnover - Not Annualised (Times) Sale of Products / Average Inventory	3.33	3.61	3.14	11.86	11.28
(n) Operating Margin (%) (Profit before Exceptional Item and Tax + Finance Costs - Other Income) / Revenue from Operations	0.96%	0.82%	4.36%	1.66%	4.50%
(o) Net Profit Margin (%) Profit after Tax / Revenue from Operations	1.71%	0.84%	3.54%	1.71%	3.94%
(p) The outstanding Non Convertible Debentures (NCDs) of the Corporation as on 31st March 2022 are unsecured. However, the Asset Cover available in case of NCDs is 184%.					

16. Previous period figures have been regrouped/reclassified, wherever necessary.

Place : Mumbai
Date : May 19, 2022

By order of the Board

Rajneesh Narang
Director - Finance
DIN - 06188549

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19 MAY 2022

R. Devendra Kumar & Associates
Chartered Accountants
205, Blue Rose Industrial Estate,
Western Express Highway, Borivali East,
Mumbai 400 066

C N K & Associates LLP
Chartered Accountants
501/502, Narain Chambers, M.G. Road,
Vile Parle (East),
Mumbai – 400057

**Independent Auditors' Report on the Audited Consolidated Financial Results of
HINDUSTAN PETROLEUM CORPORATION LIMITED for the quarter and year ended
March 31, 2022, pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015, as amended**

To
The Board of Directors of
HINDUSTAN PETROLEUM CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Results

Opinion

We have audited the accompanying statement of Consolidated Annual Financial Results of **Hindustan Petroleum Corporation Limited** (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), its associates and its joint ventures for the quarter and year ended March 31, 2022 (the "Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and 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 on separate audited financial statements/financial results/financial information of subsidiaries, associates and joint ventures, the aforesaid consolidated financial results:

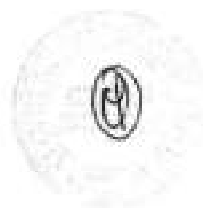
- a. include the annual financial results of the subsidiaries, associates and joint ventures as given in the Annexure to this report;
- b. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the applicable Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled



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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 other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Results

These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including its associates and its joint ventures in accordance with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulations 33 and 52 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates 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 the 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 these consolidated financial results 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 these consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures 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 the Group or to cease operations, or has no realistic alternative but to do so.

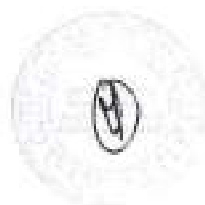
The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditors' Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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



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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 results.

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 results, 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 Holding Company, subsidiary companies and its associates and joint ventures, which are companies incorporated in India, 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 Board of Directors;
- Conclude on the appropriateness of Board of Director'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 associates 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 auditors' report to the related disclosures in the consolidated financial results 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 auditors' report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its associates and joint ventures to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



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We communicate with those charged with governance of the Holding Company, 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.

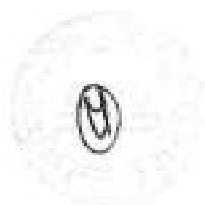
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the Securities Exchange Board of India under Regulation 33 of the Listing Regulations, to the extent applicable.

Other Matters

- a. We did not audit the financial statements and other financial information of Visakh Refinery which is considered as a branch and included in the standalone Statement of the Holding Company, whose financial statements reflect total assets of ₹35,757.06 crore as at March 31, 2022 and total revenues of ₹17,916.65 crore and ₹57,464.87 crore, total net profit before tax of ₹1,405.06 crore and ₹1,905.61 crore and total comprehensive income of ₹1,426.29 crore and ₹1,926.98 crore for the quarter and year ended March 31, 2022 respectively, as considered in the branch's standalone financial statements. The financial statements of the Visakh have been audited by the Branch Auditors of the Company. The Branch Auditors' report dated April 29, 2022, has been forwarded to us and have been properly dealt with by us in preparing our report in the manner considered necessary by us.
- b. We did not audit the financial statements and other financial information of 4 subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of ₹3,517.14 crore as at March 31, 2022 and total revenues of ₹96.13 crore and ₹309.12 crore, total net profit / (loss) after tax of ₹(13.58) crore and ₹(80.68) crore and total comprehensive income of ₹(22.40) crore and ₹(96.69) crore for the quarter and year ended March 31, 2022 respectively as considered in the consolidated financial results. These consolidated financial results also include the Group's share of net profit / (loss) after tax of ₹502.14 crores and ₹1,317.43 crores and total comprehensive income of ₹455.65 crores and ₹1,254.30 crores for the quarter and year ended March 31, 2022 respectively, as considered in consolidated financial results, in respect of 3 associate and 13 joint ventures, whose financial statements and other financial information have not been audited by us. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of the other auditors and the procedures performed by us as stated above.

Our opinion on the consolidated Financial Results 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.



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- c. The consolidated financial results include Holding Company's proportionate share in the Jointly Controlled Expenses amounting to ₹ (0.99) crore and ₹ 8.68 crore and Income of ₹ 0.56 crore and ₹ 1.86 crore, for the quarter and year ended March 31, 2022 respectively, in respect of 17 unincorporated Joint Operations, which have been included based on unaudited financial information. Our opinion in respect of above is solely based on the management certified information.
- d. The consolidated financial results include the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of full financial year ended March 31, 2022 and the published unaudited year to date figures up-to the third quarter of the current financial year, which were subjected to limited review by us, as required under the Listing Regulations.
- e. The consolidated financial results of the Company as per the Regulations for the quarter and year ended March 31, 2021, were audited by the joint auditors, one of which is predecessor audit firm and have issued their unmodified opinion on such results vide their Report dated May 20, 2021.

Our opinion on the Statement is not modified in respect of the above matters.

For R. Devendra Kumar & Associates
Chartered Accountants
FRN:114207W


Anand Golas

Partner
Membership No. 400322
UDIN: 22400322AJGDCS5673



For C N K Associates & LLP
Chartered Accountants
FRN:101961W/W- 100036


Vijay Melita

Partner
Membership No. 106533
UDIN: 22106533AJFYZU9325



Place: Mumbai
Date: May 19, 2022

Annexure

The Statement includes the results of the following entities:

A. Holding Company

Hindustan Petroleum Corporation Limited

B. Subsidiaries

1. HPCL Biofuels Limited
2. HPCL Middle East FZCO #
3. Prize Petroleum Company Limited *
4. HPCL LNG Limited (Formerly known as HPCL Shapoorji Energy Private Limited)

C. Joint Ventures

1. HPCL - Mittal Energy Limited *
2. Hindustan Colas Private Limited*
3. South Asia LPG Company Private Limited
4. Bhagyanagar Gas Limited
5. Petronet MHB Limited
6. Aavantika Gas Limited
7. HPCL Rajasthan Refinery Limited
8. Godavari Gas Private Limited
9. Mumbai Aviation Fuel Farm Facility Private Limited
10. HPOIL Gas Private Limited
11. Ratnagiri Refinery and Petrochemicals Limited
12. IHB Limited
13. Petronet India Limited (in the process of winding up)

D. Associates

1. Mangalore Refinery and Petrochemicals Limited *
2. GSPL India Gasnet Limited
3. GSPL India Transco Limited

Incorporated/located outside India

* Based on Consolidated Financial Statements



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HINDUSTAN PETROLEUM CORPORATION LIMITED

Head Office: 17, Jamshedji Tata Road, Mumbai - 400 020

WEBSITE: www.hindustanpetroleum.com, E-mail: corphqo@hpl.in, CIN No: L23201MH1952GO000858

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2022

(₹ in Crore)

Particulars	Quarter Ended			Year Ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	Audited	Un-Audited	Audited	Audited	Audited
FINANCIAL PERFORMANCE					
1. Income					
(a) Sale of Products (including Excise Duty)	105,093.85	101,143.24	84,965.89	372,867.34	265,463.69
(b) Other Operating Revenue	546.64	345.53	298.88	1,259.05	1,084.27
(c) Other Income (refer Note # 6 & 9 below)	1,181.35	477.75	489.99	2,438.92	2,643.73
Total Income	106,533.84	101,966.50	85,754.76	376,565.31	273,221.69
2. Expenses					
(a) Cost of materials consumed	26,312.23	20,466.75	15,319.45	69,536.18	44,572.77
(b) Purchases of stock-in-trade	66,547.00	69,886.78	53,492.29	253,220.67	164,500.76
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,687.68)	314.98	(3,630.99)	(625.88)	(8,518.53)
(d) Excise Duty	7,715.74	8,820.00	10,840.11	24,211.81	37,329.51
(e) Employee benefits expense	750.90	632.43	444.07	3,017.35	3,219.42
(f) Finance Costs	334.78	244.03	224.57	997.32	963.28
(g) Depreciation and amortisation expense	1,079.40	1,034.64	964.70	4,000.36	3,625.47
(h) Other expenses (refer Note # 9 below)	4,540.13	3,515.71	4,543.13	14,528.58	13,470.67
Total Expenses	104,592.50	101,915.32	81,717.35	363,890.34	258,143.35
3. Profit/(Loss) before share in profit / (loss) of Joint Ventures / Associates, exceptional items and tax (1-2)	1,941.34	1,051.18	4,037.41	7,685.57	14,058.34
4. Share in profit / (loss) of Joint Ventures / Associates	561.80	578.23	32.34	1,458.05	138.66
5. Profit/(Loss) before exceptional items and tax (3+4)	2,503.22	1,629.41	4,069.75	9,143.62	14,197.00
6. Exceptional items - income/(expenses)	-	-	-	-	-
7. Profit/(Loss) before tax (5+/-6)	2,503.22	1,629.41	4,069.75	9,143.62	14,197.00
8. Tax Expense					
(a) Current Tax	252.27	246.64	1,181.73	1,510.00	3,569.56
(b) Deferred Tax	262.92	29.78	(189.31)	526.41	(52.08)
(c) Short / (Excess) provision of tax of earlier years (refer Note # 5 below)	(30.42)	-	16.63	(187.02)	16.63
Total Tax Expense	484.77	276.42	1,009.05	1,849.39	3,534.11
9. Net profit/(loss) for the period (7-8)	2,018.45	1,352.99	3,060.70	7,294.23	10,662.89
10. Other Comprehensive Income					
(a) Items that will not be reclassified to profit or loss (net of tax)	235.29	(163.83)	(43.87)	441.90	17.94
(b) Items that will be reclassified to profit or loss (net of tax)	(185.07)	(22.48)	70.14	(228.54)	135.49
Total Other Comprehensive Income	50.22	(186.31)	26.27	221.36	153.43
11. Total Comprehensive Income, for the period (9 +/- 10)	2,068.67	1,166.68	3,086.97	7,515.59	10,816.32
12. Paid up Equity Share Capital (Face value ₹ 10/- each) (refer Note # 7 below)	1,418.55	1,418.55	1,452.02	1,418.55	1,452.02
13. Other Equity excluding Revaluation Reserves				39,985.27	36,628.45
14. Basic and Diluted Earnings Per Share (₹) (of ₹ 10/- each) (not annualised) (refer Note # 8 below)	14.23	9.54	20.71	51.36	70.57

Notes:

- The Audit Committee has reviewed these results and the same have been subsequently approved by the Board of Directors in their meeting held on May 19, 2022.
- The Financial Results have been audited by the Statutory Auditors as required under Regulation 33 and 53 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Statutory Auditors have issued unmodified opinion on the Consolidated Financial Results for the quarter and year ended March 31, 2022.
- The Audited Accounts are subject to supplementary audit by the Comptroller & Auditor General of India under section 143 (6) of the Companies Act, 2013.
- The Board has recommended a final dividend of ₹ 14 per equity share.
- Short or (excess) provision for tax of earlier years, for the year ended March 31, 2022 includes ₹ (180.18) Crore reversed during the year, pursuant to the decision for non-participation under Direct Tax Vivad se Vishwas Act, 2020, in respect of few assessment years.
- Other Income for the period April - March, 2021 includes ₹ 95.28 Crore [April - March, 2021 : ₹ 1,014.89 Crore] towards gain on account of foreign currency transactions and translations.
- The shares buy-back program, which commenced on November 17, 2020 has concluded on May 14, 2021. During the entire buy-back period, a total 10,52,74,280 shares, representing 6.91% of paid up Share Capital (prior to commencement of buy-back) having a face value of ₹ 105,27,42,800/- have been bought back and extinguished.
- The Basic and Diluted Earnings per Share (EPS) have been calculated after duly considering shares bought back till the respective periods. Thus, except for current & preceding quarter, EPS for the rest of the periods is not comparable.

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9. Considering recoverability of loan provided to Pradhan Mantri Ujjwala Yojana (PMUY) beneficiaries, basis consumption of LPG refills and Management Estimates of future cash inflows (derived from the prevailing subsidy through which the loan is recovered), necessary loss allowance is provided and the carrying value of loan outstanding as at Balance Sheet date is re-measured. Other Expenses for the period April - March, 2022 includes ₹ 493.17 Crore (April - March, 2021 : ₹ 841.29 Crore including ₹ 390.67 crore towards loss allowance) towards impact of re-measurement of carrying value of loan and amortization of pre-paid asset. Other income for the period April - March, 2022 includes ₹ 599.58 Crore (April - March, 2021: ₹ 177.51 Crore of interest unwinding only) towards reversal of loss allowance and impact of interest unwinding in the re-measurement of carrying value of loan.
10. The figures for the quarter ended March 31, 2022 and March 31, 2021 represent the difference between the audited figures in respect of full financial year and the unaudited figures of nine months ended December 31, 2021 and December 31, 2020 respectively.

11. STATEMENT OF ASSETS AND LIABILITIES AS ON

(₹ in Crore)

Particulars	Audited	Audited
	31.03.2022	31.03.2021
ASSETS		
1 Non-Current Assets		
(a) Property, Plant and Equipment	56,982.17	49,950.58
(b) Capital Work-in-Progress	28,645.09	25,128.63
(c) Goodwill on Consolidation	321.62	321.62
(d) Other Intangible Assets	822.31	639.71
(e) Intangible Assets under development	262.15	207.40
(f) Investment in Joint Ventures and Associates	17,840.77	9,333.88
(g) Financial Assets		
(i) Other Investments	655.56	341.96
(ii) Loans	925.89	846.24
(iii) Other Financial Assets	145.55	149.36
(h) Other Non - Current Assets	3,277.73	3,069.43
	104,878.34	89,988.81
2 Current Assets		
(a) Inventories	35,514.71	28,763.90
(b) Financial Assets		
(i) Investments	5,371.52	5,417.58
(ii) Trade Receivables	6,340.31	6,869.99
(iii) Cash and Cash Equivalents	233.85	480.38
(iv) Bank Balances other than cash and cash equivalents	24.12	94.54
(v) Loans	155.18	126.30
(vi) Other Financial Assets	1,508.00	1,794.45
(c) Other Current Assets	541.65	625.23
	49,689.34	44,172.37
Assets classified as held for Sale / Disposal	60.51	12.67
	49,749.85	44,185.04
Total Assets	154,628.19	134,173.85
EQUITY AND LIABILITIES		
3 Equity		
(a) Equity Share Capital	1,418.94	1,452.41
(b) Other Equity	39,985.27	36,628.45
	41,404.21	38,080.86
Liabilities		
4 Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	32,115.38	25,049.19
(a) Lease Liabilities	3,150.74	2,715.23
(ii) Other Financial Liabilities	53.25	32.68
(b) Provisions	50.73	36.80
(c) Deferred Tax Liabilities (Net)	5,957.21	5,462.21
(d) Other Non-Current Liabilities	456.70	382.48
	41,784.41	33,678.54
5 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	12,863.45	15,634.65
(a) Lease Liabilities	368.28	309.46
(ii) Trade Payables		
Outstanding dues of micro enterprises and small enterprises	402.21	131.99
Outstanding dues of creditor other than micro enterprises and small	26,075.12	16,444.05
(ii) Other Financial Liabilities	22,538.89	20,948.64
(b) Other Current Liabilities	6,437.49	5,706.37
(c) Provisions	2,486.70	2,847.07
(d) Current Tax Liabilities (Net)	267.43	331.72
	71,439.57	62,414.45
Total Equity and Liabilities	154,628.19	134,173.85

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12. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED

(₹ in Crore)

Particulars	Audited 31.03.2022	Audited 31.03.2021
A. Cash Flow From Operating Activities		
Profit/(Loss) Before Tax	9,143.62	14,197.00
Adjustments for:		
Depreciation and Amortization Expense	4,000.56	3,625.47
(Gain)/Loss on sale/write off of property, plant and equipment, Capital work in progress, Assets classified held for sale/disposal	(140.63)	51.18
Gain / (Loss) on Remeasurement of Defined benefit plans	129.79	(92.12)
Effective Portion of Gains/(loss) in a Cash Flow Hedge	(138.67)	(0.85)
Fair value (Gains)/Loss on Current Investments carried at FVTPL	45.78	(72.90)
Finance Costs	997.32	963.28
Foreign Currency Transaction and Translation (net)	143.63	(565.37)
Net Provision/(Reversal) for Doubtful Debts, Loans & Receivables / Bad debts written off	(614.55)	696.84
Interest Income on current Investments	(370.90)	(305.62)
Dividend Received	(28.76)	(13.64)
Share of Profit from Associate and Joint Venture companies	(1,458.05)	(138.66)
Fair Valuation gain on existing held equity interest	-	(158.99)
Other Non-Cash Items	2.81	14.41
Operating Profit before Changes in Assets and Liabilities (Sub Total - (I))	11,711.49	18,120.03
Change in Assets and Liabilities :		
Decrease / (Increase) in Trade Receivables	529.08	(2,935.81)
Decrease / (Increase) in Loans and Other Assets	561.96	5,367.12
Decrease / (Increase) in Inventories	(6,754.34)	(9,459.00)
(Decrease) / Increase in Trade and Other Payables	11,212.89	9,902.08
Sub Total - (II)	5,549.59	2,894.39
Cash Generated from Operations (I) + (II)	17,261.28	21,014.42
Less : Direct Taxes paid (Net)	1,431.05	3,185.16
Net Cash Flow generated from/ (used in) Operating Activities (A)	15,810.23	17,829.26
B. Cash Flow From Investing Activities		
Purchase of Property, Plant & Equipment (including Capital Work in Progress / excluding interest capitalised)	(11,344.76)	(11,666.00)
Sale of Property, Plant & Equipment	316.94	59.08
Purchase of Investments (including share application money pending allotment/Advance towards Equity)	(2,608.50)	(1,987.10)
Purchase of Other Long Term Investments (including share application money pending allotment/Advance towards equity)	(3.99)	(5.34)
Interest received	352.67	385.62
Dividend received from Associate and Joint Venture companies	503.84	301.31
Dividend received - others	28.76	13.54
Net Cash Flow generated from / (used in) Investing Activities (B)	(13,744.84)	(12,278.59)
C. Cash Flow From Financing Activities		
Proceeds from Long term borrowings	12,440.33	5,449.45
Repayment of Long term borrowings and leasing liabilities	(2,959.45)	(4,547.19)
Proceeds / (repayment) of Short term borrowings	(5,563.90)	(614.91)
Finance Cost paid	(1,719.95)	(1,598.65)
Buy-back of equity shares (including tax)	(1,010.38)	(1,913.47)
Dividend paid	(3,722.89)	(1,484.41)
Net Cash Flow generated from / (used in) Financing Activities (C)	(2,066.24)	(4,708.19)
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	(0.85)	841.48
Cash and cash equivalents at the beginning of the period	(2,070.65)	(2,912.13)
Cash and cash equivalents at the end of the period	(2,071.50)	(2,070.65)
Details of cash and cash equivalents at the end of the period:	31.03.2022	31.03.2021
Cash and cash equivalents as on		
Balances with Banks:		
-on current accounts	122.01	365.43
-on non-operative current accounts	-	0.01
Cheques Awaiting Deposit	-	-
Cash on hand	5.86	4.34
Fixed Deposits with Original Maturity Less than 3 months	-	-
Balances with other banks	105.98	110.60
Less : Cash Credits	(2,305.35)	(2,551.03)
	(2,071.50)	(2,070.65)

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13 Consolidated Segment-wise Revenue, Results, Assets and Liabilities

('₹ in Crore)

Particulars	Quarter Ended			Year Ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	Audited	Un-Audited	Audited	Audited	Audited
1. SEGMENT REVENUE					
a) Downstream Petroleum	105,235.71	103,426.95	85,208.08	373,852.99	270,335.51
b) Others	145.00	70.38	56.37	344.10	268.86
Sub-Total	105,381.11	103,497.33	85,274.45	374,197.09	270,604.37
Less: Inter-Segment Revenue	30.62	8.58	9.68	70.10	26.41
Total Revenue	105,350.49	103,488.75	85,264.77	374,126.99	270,577.96
2. SEGMENT RESULTS					
a) Profit / (Loss) before Tax, Interest Income, Interest Expenditure and Dividend from each Segment					
i) Downstream Petroleum	2,261.67	1,169.64	4,033.40	8,071.97	14,034.08
ii) Others	8.41	(36.20)	(10.09)	(40.84)	(46.23)
Sub-Total of (a)	2,270.08	1,133.44	4,023.31	8,031.13	13,987.85
b) Finance Cost	334.78	244.03	224.57	997.32	963.28
c) Other Un-allocable Expenditure (Net of Un-allocable Income)	(6.04)	(161.77)	(238.67)	(651.76)	(1,033.77)
d) Share in profit / (loss) of Joint Ventures / Associates	561.88	578.23	32.34	1,458.05	138.66
Profit / (Loss) before tax (a-b-c+d)	2,503.22	1,629.41	4,069.75	9,143.62	14,197.00
3. SEGMENT ASSETS					
a) Downstream Petroleum	150,589.43	139,900.45	131,449.13	150,589.43	131,449.13
b) Others (Unallocated-Corporate)	4,038.76	3,263.61	2,724.72	4,038.76	2,724.72
Total	154,628.19	143,164.06	134,173.85	154,628.19	134,173.85
4. SEGMENT LIABILITIES					
a) Downstream Petroleum	111,117.99	101,962.27	94,703.72	111,117.99	94,703.72
b) Others (Unallocated-Corporate)	2,105.99	1,869.95	1,389.27	2,105.99	1,389.27
Total	113,223.98	103,832.22	96,092.99	113,223.98	96,092.99

Notes:

- i. There are no reportable segments other than downstream petroleum, as per para 13 of Ind AS 108 on Reporting of Operating Segments.
- ii. Segment Revenue comprises of the following:
 - a) Turnover
 - b) Subsidy from Government of India
 - c) Other Operating Revenues
- iii. There are no geographical segments.

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11.9 MAY 2022



14 Additional Disclosures as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 :

Particulars	Quarter Ended			Year Ended	Year Ended
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	Audited	Un-Audited	Audited	Audited	Audited
(a) Debt Equity Ratio (Times) Borrowings (Long Term + Short Term) / Equity	1.09	0.98	1.07	1.09	1.07
(b) Debt Service Coverage Ratio - Not Annualised (Times) (Profit after tax + Finance cost in P&L + Depreciation) / (Finance cost (P&L and Capitalised) + Principal Repayment (Long term borrowing and Lease Liabilities))	1.09	4.05	0.91	1.36	2.46
(c) Interest Service Coverage Ratio (Times) (Profit before tax + Finance cost in P&L + Depreciation) / Finance Cost (P&L and Capitalised)	5.56	6.08	11.61	6.36	11.16
(d) Capital Redemption Reserve (₹ in Crore)	106.83	106.83	73.36	106.83	73.36
(e) Debenture Redemption Reserve (₹ in Crore)	756.08	754.51	753.97	756.08	751.97
(f) Net Worth (₹ in Crore) (Equity share Capital + Other Equity)	41,404.21	39,333.84	38,080.86	41,404.21	38,080.86
(g) Current Ratio (Times) Current Assets / Current Liabilities	0.70	0.64	0.71	0.70	0.71
(h) Long Term debt to working capital (Times) Long Term Borrowing / Working Capital	(1.65)	(1.27)	(1.41)	(1.65)	(1.41)
(i) Bad Debt to Account receivable ratio (Times) Bad Debt / Average Trade Receivable	0.00	0.00	0.00	0.00	0.00
(j) Current Liability Ratio (Times) Current Liability / Total Liabilities	0.63	0.65	0.65	0.63	0.65
(k) Total debts to total assets (Times) (Borrowings (Long Term + Short Term)) / Total Assets	0.29	0.27	0.30	0.29	0.30
(l) Debtor Turnover - Not Annualised (Times) Sale of Product/Average Trade Receivable	15.31	14.65	13.80	56.45	49.89
(m) Inventory Turnover - Not Annualised (Times) Sale of Products / Average Inventory	3.31	3.59	3.12	31.60	11.21
(n) Operating Margin (%) (Profit before Exceptional Item and Tax + Finance Costs- Other Income)/ Revenue from Operations	1.57%	1.35%	4.46%	2.06%	4.63%
(o) Net Profit Margin (%) Profit after Tax / Revenue from Operations	1.50%	1.31%	1.59%	1.95%	3.64%

15 Previous period figures have been regrouped/reclassified, wherever necessary.

Place : Mumbai
Date : May 19, 2022

By order of the Board


Rajneesh Narang
Director - Finance
CIN - 00188540

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19 MAY 2022



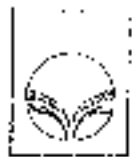




Disclosure of related party transactions (October - March 2022) (In Rs. Crore)

Additional disclosure of related party transactions - applicable only if case the related party transaction refers to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.																		
S.No.	Details of the party (listed entity/subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction	Value of the related party transaction as approved by the audit committee (F.Y. 2021-22)	Value of transaction during the reporting period (October - March 2022)	In case monies are due to or from other party as a result of the transaction		In case any financial indebtedness is assumed to, made or given to/from, inter-corporate deposits, advances or investments							
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance 01.10.2021 (Payable)	Closing balance 31.03.2022 (Receivable)	Nature of indebtedness (loan/advance or security other debt)	Cost	Tenure	Nature of indebtedness (loan/advance or security other debt)	Interest Rate (%)	Tenure	Security offered	Purpose for which the funds will be utilized by the ultimate recipient of funds (end-use)
1	Industan Petroleum Corporation Limited		IPCL-Mittal Energy Limited		Joint Venture	Sale of goods/services	58,500.00	59.33	11.99	6.66								
2	Industan Petroleum Corporation Limited					Purchase of goods/services		27.23	25,023.17	(4,322.77)								
3	Industan Petroleum Corporation Limited		Industan Odes Private Limited			Sale of goods/services	273.88	463.03	0.80	36.24								
4	Industan Petroleum Corporation Limited					Purchase of goods/services	463.60	223.30	(14.88)	(86.37)								
5	Industan Petroleum Corporation Limited		South Asia LPG Company Private Limited			Sale of goods/services	18.38	7.28	1.85	1.41								
6	Industan Petroleum Corporation Limited				Joint Employment Benefits plan	Purchase of goods/services	100.41	40.25	(19.66)	(19.38)								
7	Industan Petroleum Corporation Limited		IPCL-Mittal Energy Limited				300.04	300.04	-	-								
8	Industan Petroleum Corporation Limited		Industan Odes Private Limited			Dividend Income	84.33	86.18	-	-								
9	Industan Petroleum Corporation Limited		South Asia LPG Company Private Limited				75.00	89.90	-	-								
10	Industan Petroleum Corporation Limited		Industan Petroleum Corp. Limited Provident Fund				108.80	88.13	-	(13.03)								
11	Industan Petroleum Corporation Limited		Industan Petroleum Corp Ltd Employees Post Retirement Med. Benefit Fund		Contribution and related transactions		166.41	-	-	(149.25)								
12	Industan Petroleum Corporation Limited		Industan Petroleum Corp Ltd Employees Superannuation Benefit Fund Scheme				50.50	31.43	-	(18.38)								
13	Industan Petroleum Corporation Limited		Industan Petroleum Corp Ltd Employees Superannuation Benefit Fund Scheme				143.89	0.43	0.17	-								
14	Industan Petroleum Corporation Limited		Prashant Kumar Sharma		Key Managerial Personnel			0.49	0.00	-								
15	Industan Petroleum Corporation Limited		Prashant Mittal					1.18	-	-								
16	Industan Petroleum Corporation Limited		Prashant S. Shrivastava					0.47	0.00	-								
17	Industan Petroleum Corporation Limited		V. Murad					0.42	0.04	0.04								
18	Industan Petroleum Corporation Limited							0.48	0.10	0.10								
19	Industan Petroleum Corporation Limited		Rajeshwar Nigam		Independent Directors		0.11	0.06	0.04	0.04								
20	Industan Petroleum Corporation Limited		R. Rajendran Pillai				0.00	0.00	-	-								
21	Industan Petroleum Corporation Limited		Kavita Pradhan				0.00	0.00	-	-								
22	Industan Petroleum Corporation Limited		Rachan Lal				0.00	0.00	-	-								
23	Industan Petroleum Corporation Limited		Prakashanand Bawel				0.00	0.00	-	-								
24	Industan Petroleum Corporation Limited		Rajeshwar Singh Pal				0.00	0.00	-	-								
25	Industan Petroleum Corporation Limited		Nagaraja Bharti				0.00	0.00	-	-								
Total								10,007.18										

Note:
1. Sitting Fees to Independent Directors have been approved by the Board.
2. Reported related party transactions are with other than Government related entities.



हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड

(एन सी ई २०२०) (NSE) (लिस्टिंग) (१७, एनएच, हिन्दुस्तान, मुंबई) - ४०० ६२०

HINDUSTAN PETROLEUM CORPORATION LIMITED

(A MEMBER OF THE NATIONAL STOCK EXCHANGE OF INDIA LTD.) (१७, एनएच, हिन्दुस्तान, मुंबई) - ४०० ६२०

हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड - १०८१, फोन - ४००-६२०-३४१९ - २२६६२२०० - फैक्स - २२६६२२२२ - ई मेल : corporate@hpcorl.co.in
T. Corporation, Bldg. No. 17, N.H. Road - 400 020, Tel. : 2266 3500 - Fax : 2266 2992 - e-mail : corporate@hpcorl.co.in
CIN No. : 2000040111552001008858

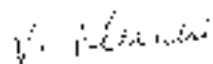
Annexure A

Format of the Initial Disclosure

Sr. No	Particulars	Details
1	Name of the Company	Hindustan Petroleum Corporation Limited
2	CIN	L23201MH1952001008858
3	Outstanding borrowing of the company (In Rs. Crores)*	As on 31.03.2022 Rs 18,775 crores
4	Highest Credit Rating During the previous FY along with names of the Credit Rating Agency	HPCCL has been rated "AAA" by CRISIL, ICRA and India Ratings
5	Name of the Stock Exchanges in which the fine shall be paid, in case of default in the required borrowing under the framework	BSE Limited

* Denotes outstanding long-term borrowing as defined in point 1.2 (b) of the Circular

We confirm that we are a Large Corporate as per the applicability criteria given under the Chapter XII of SEBI Operational circular dated August 13, 2021


V. Murali
Company Secretary
Contact Details: (022) 22663611


Rajneesh Narang
Director Finance & Chief Financial Officer
Contact Details: (022) 22008206

Date: 27-04-2022



हिन्दुस्तान पेट्रोलेम कॉर्पोरेशन लिमिटेड

HINDUSTAN PETROLEUM CORPORATION LIMITED

HINDUSTAN PETROLEUM CORPORATION LIMITED, 5th Floor, 100, Park Road, Colaba, Mumbai - 400 006

Tel: (022) 2286 4744 Fax: (022) 2286 4744 E-mail: corporate@hpcorpltd.com

It is certified that the above is a true and correct copy of the original document.

Date: 27/04/2022

Annexure B2

Format of the Annual Disclosure to be made by an entity identified as a Large Corporate as per the Chapter XII of SEBI Operational circular dated August 10, 2021

1. Name of the Company: Hindustan Petroleum Corporation Limited
2. CIN: L23201MH1952GOI008856
3. Report filed for FY: 2021-22
4. Details of the Current block (all figures in Rs crore)

S. No.	Particulars	Details
i.	2-year block period (Specify financial years)	FY 2022, FY 2023
ii.	Incremental borrowing done in FY (I)	5100
	(a)	
iii.	Mandatory borrowing to be done through debt securities in FY (T)	2025
	(b) (25% of a)	
iv.	Actual borrowing done through debt securities in FY (T)	3450
	(c)	
v.	Shortfall in the borrowing through debt securities, if any, in FY (T) carried forward to FY (T+1)	Nil
	(d)	
vi.	Quantum of (d) which has been met from (c)	N/A
	(e)	
vii.	Shortfall, if any, in the mandatory borrowing through debt securities for FY (T) (after adjusting for any shortfall in borrowing for FY (T-1) which was carried forward to FY (T))	Nil
	(f) = (b) - (c) - (e)	
	(If the calculated value is zero or negative, write 'nil')	

5. Details of penalty to be paid, if any, in respect to previous block (all figures in Rs crore).

S. No.	Particulars	Details
i.	2-year Block period (Specify financial years)	FY 2021, FY 2022
ii.	Amount of fine to be paid for the block, if applicable	Nil
	Fine = 0.2% of ((d) - (e))	

V. Murali
V. Murali
 Company Secretary
 Contact Details: (022) 22863611

Rajneesh Narang
Rajneesh Narang
 Director Finance & Chief Financial Officer
 Contact Details: (022) 22008236

Date: 27/04/2022



Notes to the Financial Statements for the year ended 31st March, 2022

1. Corporate Information

Hindustan Petroleum Corporation Limited referred to as "HPCL" or "the Corporation" was incorporated on 5th July, 1952. HPCL is a Government of India Enterprise listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, with Oil and Natural Gas Corporation Limited ("ONGC" or "the Holding Company") holding 51.11% of Equity Shares w.e.f. 31st January, 2018 and pursuant to a shares buy-back program carried-out by the Corporation during the period November 17, 2020 to May 14, 2021, it has increased further to 54.90% as of March 31, 2022 (53.64% as of March 31, 2021). The Corporation is engaged, primarily in the business of refining of crude oil and marketing of petroleum products. The Corporation has, among others, refineries at Mumbai and Vishakhapatnam, LPG bottling plants and Lube blending plants. The Corporation's marketing infrastructure includes vast network of Installations, Depots, Aviation Service Stations, Retail Outlets and LPG distributors.

Authorization of financial statements

The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors on May 19, 2022 (refer Note 63).

1.1. Basis for preparation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and other relevant provisions of the Act and Rules thereunder.

The Financial Statements are prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value;

The Corporation has adopted Ind AS in accordance with Ind AS 101 (First time adoption of Indian Accounting Standards). The transition was carried out from Accounting Standard as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, (previous GAAP). The Corporation's presentation currency and functional currency is Indian Rupees (₹). All figures appearing in the Financial Statements are rounded off to the nearest Crore (₹ Crore), except where otherwise stated.

1.2. Use of Judgement and Estimates

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affecting the financial statements of future periods. The Corporation continually evaluates these estimates and assumptions based on the most recently available information;

In particular, information about significant areas of estimates and judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligation, key actuarial assumptions;
- Provisions and Contingencies; and
- Evaluation of recoverability of deferred tax assets;

Revisions to accounting estimates are recognized prospectively in the Financial Statements in the period in which the estimates are revised and in any future periods affected.

2. Significant Accounting Policies

2.1. Property, Plant and Equipment

- 2.1.1. Freehold lands are carried at cost. All other items of Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any;
- 2.1.2. The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes); any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by management; initial estimated present value of any contractual decommissioning obligation; and borrowing cost for qualifying assets (i.e., assets that necessarily take a substantial period of time to get ready for their intended use);
- 2.1.3. Technical know-how / licence fee relating to plants / facilities are capitalized as part of cost of the underlying asset;
- 2.1.4. Expenditure during construction period: Direct expenses incurred during construction period on capital projects are capitalised;
- 2.1.5. The cost of an item of PPE (Initial and subsequent recognition) is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Corporation; and the cost of the item can be measured reliably;
- 2.1.6. Spare parts which are meeting the requirement of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit and Loss on consumption;
- 2.1.7. An item of Property, Plant and Equipment and any significant part initially recognised separately as part of Property, Plant and Equipment is derecognised upon disposal; or when no future economic benefits are expected from its use or disposal; or when the Property, Plant Equipment has been re-classified as ready for disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised;
- 2.1.8. The residual values and useful lives of Property, Plant and Equipment are reviewed during each financial year and changes are accounted for as change in accounting estimates on a prospective basis;
- 2.1.9. The Corporation has chosen the carrying value of Property, Plant and Equipment existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April, 2015 as deemed cost.

2.2. Depreciation / amortization

- 2.2.1. Depreciation on Property, Plant and Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Corporation has assessed the estimated useful lives of its Property, Plant and Equipment and has adopted the useful lives and residual value as prescribed in Schedule II except for the following:

Useful Life (Basis internal technical assessment):

Plant and Machinery relating to Retail Outlets (other than Storage tanks and related equipment)	15 years
Cavern Structure	60 years
LPG cylinders & regulators (excluding cylinders held for sale)	15 years
CNG Compressors	10 years
CNG Cascades and SS tubing in CNG Stations	20 years

Residual Value (Basis historical data):

LPG cylinder and pressure regulator	15% of original cost
Catalyst with noble metal content	90% of original cost of noble metal content

- 2.2.2. The Corporation depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components is assessed by considering historical experience, internal technical inputs and any other relevant factor;



- 2.2.3. Items of Property, Plant and Equipment costing not more than the threshold limit are depreciated at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators (excluding cylinders held for sale) which are depreciated over a useful life of 15 years based on the technical assessment;
- 2.2.4. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment;
- 2.2.5. Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

2.3. Intangible assets

- 2.3.1. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding development costs, are not capitalised and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Development costs are capitalised if technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Corporation has an intention and ability to complete and use or sell the asset and the costs can be measured reliably;
- 2.3.2. Assets where entire output generated is committed to be sold to a public sector entity (including Government body) for almost the entire useful life of the asset are classified as intangible assets as per the requirements of Ind AS and are amortised (after retaining the residual value, if applicable) over their useful life;
- 2.3.3. In cases where, the Corporation has constructed assets and the Corporation has only a preferential right to use, these assets are classified as intangible assets and are amortised (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower;
- 2.3.4. The useful lives of intangible assets are assessed as either finite or indefinite;
- 2.3.5. Intangible assets with finite lives are amortised on straight line basis over their useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year end. The amortisation expense on intangible assets with finite lives and impairment loss is recognised in the statement of Profit and Loss.
- 2.3.6. Intangible assets with indefinite useful lives, such as 'right of way' which is perpetual and absolute in nature, are not amortised, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognised in the Statement of Profit and Loss;
- 2.3.7. Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets;
- 2.3.8. Estimated lives of intangible assets (acquired) are as follows:
- Software: 2 to 4 years
 - Technical know-how/license fees: 2 to 10 years
 - Right to use – wind mills: 22 years
- 2.3.9. The Corporation has chosen the carrying value of Intangible Assets existing as per previous GAAP as on date of transition to Ind AS i.e., 1st April 2015 as deemed cost.

2.4. Borrowing Cost

- 2.4.1. Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange rate variation to the extent regarded as an adjustment to interest cost;
- 2.4.2. Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset till the month in which the asset is ready for intended use. Capitalisation of borrowing costs is suspended when active development on the qualifying assets is interrupted except when temporary and charged to the Statement of Profit and Loss during such periods. All other borrowing costs are expensed in the period in which they are incurred;
- 2.4.3. Borrowing cost, if any, incurred on General Borrowings used for projects is capitalised at the rate computed on weighted average basis.

2.5. Non-current assets held for sale

- 2.5.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met, only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets;
- 2.5.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell;
- 2.5.3. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortized.

2.6. Current / Non-current classification

Classification of current / non-current assets and liabilities in the Balance Sheet is based on principles as mentioned below:

- 2.6.1. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle;
 - Held primarily for the purpose of trading;
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or Cash Equivalents unless restricted from being exchanged or used for settlement of a liability arising at least twelve months after the reporting period

All other assets are classified as non-current.

- 2.6.2. A liability is treated as current when it is:
- Expected to be settled in normal operating cycle;
 - Held primarily for the purpose of trading;
 - Due to be settled within twelve months after the reporting period, or
 - Not granting any unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

2.7. Leases

Wherever a Contract conveys the right to control the use of an identified Asset by either of the Parties for a period of time and in exchange for consideration, there arises a Lease Contract. At inception of every Contract, the Corporation examines the existence to the lease elements in a Contract and thereafter carries out appropriate accounting either as Lessor or Lessee.

2.7.1. Lessee

At the commencement of the lease, the Corporation recognises right-of-use asset and lease liability, with an exception of short-term leases or lease of low-value underlying assets. The right-of-use asset is measured at cost, made up of the initial measurement of the lease liability, initial direct costs, an estimate of dismantling cost including removal of the asset at the end of the lease and any lease payments on or before commencement (net of any incentives received) of the lease;

The lease liability is measured at Present Value of the lease payments to be made during the course of the lease by using incremental borrowing rate that prevail at the beginning of each quarterly period for a similar tenure (such as AAA Corporate Bond rates for varying tenures of 5, 10 & 15 years) for all of the contracts executed in that period. The variable lease payments, which do not depend on an index or a rate, are excluded from the measurement of lease liability;

The Corporation has elected not to separate non-lease components in a contract and account as one unified lease contract covering all underlying assets by using the practical expedient prescribed in the Standard;

On re-measurement of lease liability, the right-of-use asset is suitably readjusted unless such readjustment lead to a restatement of carrying value below zero, in which case, the resultant amount is directly routed through Statement of Profit and Loss Account.

2.7.2. Lessor

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. In all other cases, it is treated as operating lease;

The Corporation recognizes assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease;

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.

2.8. Impairment of Non-Financial Assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment;

If there exist any indication of impairment, or during annual impairment testing, the Corporation estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets;

An impairment loss is recognised whenever the carrying amount of asset or assets of cash generating unit (CGU) exceeds their recoverable amount.

2.9. Inventories

2.9.1. Valuation of inventories (including in transit) of different categories is as under: -

- a) Crude oil is valued at cost on First in First Out (FIFO) basis or at net realisable value, whichever is lower. Crude oil is not written down below cost except in cases where their prices have declined subsequently and it is estimated that the cost of the finished goods will exceed their net realisable value;
- b) Raw materials other than 'a)' above are valued at weighted average cost or at net realisable value, whichever is lower;
- c) Stock-in process is valued at raw material cost plus cost of conversion or at net realisable value, whichever is lower;
- d) Empty packages are valued at weighted average cost;
- e) Stores and spares which do not meet the recognition criteria under Property, Plant and Equipment are valued at weighted average cost. Surplus, obsolete and slow moving stores and spares, if any, are valued at cost or net realizable value whichever is lower. Surplus items, when transferred from completed projects are valued at cost / estimated value, pending periodic assessment / ascertainment of condition. Stores and Spares in transit are valued at cost;
- f) Finished products other than Lubricants are valued at cost (on FIFO basis month-wise) or at net realisable value, whichever is lower;
- g) Finished products (lubricants) are valued at weighted average cost or at net realisable value, whichever is lower;

2.9.2. Customs duty on Raw materials/Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee;

2.9.3. Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on applicable duty;

2.9.4. The net realisable value of finished goods and stock in trade are final selling prices for sales to oil marketing companies and depot prices applicable to the locations. For the purpose of inventory valuation, the proportion of sales to oil marketing companies and consumer sales are determined on location wise and product wise sales of subsequent period.

2.10. Revenue recognition

2.10.1. Sale of goods

Revenue is recognised when:

- the Corporation satisfies a performance obligation by transferring control of a promised goods / services to a customer;
- transaction price is allocated on each performance obligation and is recognised as and when the particular performance obligation is satisfied either at a point in time or over a period of time;
- the transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer including excise duties, as applicable and is measured at the fair value of the consideration received or receivable, net of returns, taxes or duties collected on behalf of the government and trade discounts or rebates, as applicable;
- it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Revenue is allocated between Loyalty Programs and other components of the sale. The amount allocated to the Loyalty Program is deferred, and is recognised as Revenue when the Corporation has fulfilled its obligation to supply the products under the terms of the Program or when it is no longer probable that the points under the Program will be redeemed.

Where the Corporation acts as an agent on behalf of a third party, the associated Revenue is recognised on a net basis;

Claims, including subsidy on Liquified Petroleum Gas (LPG) and Superior Kerosene Oil (SKO), from Government of India, are booked on in-principle acceptance thereof on the basis of available instructions / clarifications, subject to final adjustments as stipulated.

2.10.2. Interest income is recognised taking into account the amount outstanding and the applicable effective interest rate;

2.10.3. Dividend is recognised when right to receive the payment is established;

2.10.4. Income from sale of scrap is accounted for on realization.

2.11. Accounting / classification of expenditure and income

2.11.1. Income / expenditure in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively;

2.11.2. Prepaid expenses upto threshold limit in each case, are charged to revenue as and when incurred;

2.11.3. Insurance claims are accounted on acceptance basis;

2.11.4. All other claims / entitlements are accounted on the merits of each case.

2.11.5. Raw materials consumed are net of discount towards sharing of under-recoveries.

2.12. Employee benefits

2.12.1. Short-term employee benefit

Short term employee benefits are recognized as an expense at undiscounted amount in the Statement of Profit & Loss of the year in which the related services are rendered by the employees;

2.12.2. Post-employment benefits

Defined Contribution Plans:

Obligations for contributions to defined contribution plans are expensed in the Statement of Profit & Loss of the year in which the related services are rendered by the employees;

Defined Benefit Plans:

Post-employment benefits

Liability towards defined employee benefits (gratuity, pension, post – retirement medical benefits, ex-gratia and resettlement allowance) are determined on actuarial valuation by independent actuaries at the year-end by using Projected Unit Credit method;



Re-measurements of the net defined benefit liability, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income;

Other long-term employee benefits

Liability towards other long term employee benefits (leave encashment, long service awards, provident fund contribution to trust and death benefits) are determined on actuarial valuation by independent actuaries using Projected Unit Credit method;

Re-measurements gains and losses are recognized in the Statement of Profit and Loss in the period in which they arise;

Prepaid contributions are recognized as an asset to the extent that a cash refund or a set-off in future payments is available.

2.12.3. Termination benefits

Expenditure on account of Voluntary Retirement Schemes, are charged to Statement of Profit & Loss, as and when incurred.

2.13. Foreign currency transactions

2.13.1. Monetary items

Transactions in foreign currencies are initially recorded at the respective exchange rates prevailing at the date of transaction;

Monetary assets and liabilities denominated in foreign currencies are translated at spot rates of exchange at the reporting date;

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognised in Statement of Profit and Loss either as 'Exchange Rate Variation' or as 'finance costs' (to the extent regarded as an adjustment to borrowing costs), as the case maybe;

In case of long term foreign currency monetary items outstanding as of 31st March 2016, foreign exchange differences arising on settlement or translation of long term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in case of other long term foreign currency monetary items, if any, accumulated in 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the balance period of the asset / liability.

2.13.2. Non – Monetary items

Non-monetary items, other than those measured at fair value, denominated in foreign currency, are valued at the exchange rate prevailing on the date of transaction.

2.14. Investment in Subsidiary, associates and joint ventures

Investments in equity shares of Subsidiaries, Joint Ventures & Associates are recorded at cost and reviewed for impairment at each reporting date;

The Corporation has chosen the carrying value of the investment in Subsidiaries, associates and joint ventures existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April 2015 as deemed cost.

2.15. Government Grants

2.15.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with;

2.15.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed;

2.15.3. When the grant relates to property, plant and equipment, the cost of property, plant and equipment is shown at gross value and grant thereon is treated as liability (deferred income) and are credited to statement of profit and loss on a systematic basis over the useful life of the asset.

2.16. Exploration and Production expenditure

"Successful Efforts Method" of accounting is followed for Oil & Gas exploration and production activities as stated below:

- 2.16.1. Cost of surveys, studies, carrying and retaining undeveloped properties are expensed out in the year of incurrence;
- 2.16.2. Cost of acquisition, drilling and development are treated as Capital Work-in-Progress when incurred and are capitalised when the well is ready to commence commercial production;
- 2.16.3. Accumulated costs on exploratory wells in progress are expensed out in the year in which these are determined to be dry or are of no further use, as the case may be;
- 2.16.4. The proportionate share in the assets, liabilities, income and expenditure of joint operations are accounted as per the participating interest in such joint operations.

2.17. Provisions and contingent liabilities

- 2.17.1. Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation;
- 2.17.2. If the effect of the time value of money is material, provisions are discounted using an appropriate discount rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost;
- 2.17.3. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Corporation, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability;
- 2.17.4. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote;
- 2.17.5. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit;
- 2.17.6. Contingent Liabilities are considered only when show-cause notice is converted into demand.

2.18. Fair value measurement

- 2.18.1. Fair value is the price that would be received/ paid to sell an asset or to transfer a liability, as the case may be, in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Corporation has access at that date. The fair value of a liability also reflects its non-performance risk;
- 2.18.2. While measuring the fair value of an asset or liability, the Corporation uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

Financial Instruments

2.19. Financial Assets

2.19.1. Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

2.19.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Corporation classifies financial assets (other than equity instruments) as under:

- (a) subsequently measured at amortised cost;
- (b) fair value through other comprehensive income; or
- (c) fair value through profit or loss

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial recognition, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method and such amortization is recognised in the Statement of Profit and Loss.

Debt instruments at Fair value through profit and loss (FVTPL)

Fair value through profit and loss is a residual category for measurement of debt instruments.

After initial measurement, any fair value changes including any interest income, impairment loss and other net gains and losses are recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Corporation decides to classify the same either as at FVOCI or FVTPL. The Corporation makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable;

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI);

Equity instruments included within the FVTPL category are measured at fair value with all fair value changes being recognized in the Statement of Profit and Loss.

2.19.3. Impairment of financial assets

In accordance with Ind-AS 109, the Corporation applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost;

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date.

2.20. Financial Liabilities

2.20.1. Initial recognition and measurement

All financial liabilities (not measured subsequently at fair value through profit or loss) are recognised initially at fair value net of transaction costs that are directly attributable to the respective financial liabilities.

2.20.2. Subsequent measurement

The Corporation classifies all financial liabilities as subsequently measured at amortised cost by using the Effective Interest Rate Method ("EIR") and such amortisation is recognised in the Statement of Profit and Loss.

2.20.3. **Derecognition**

A Financial Liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

2.21. **Financial guarantees**

Financial guarantee contracts are recognised initially at fair value. Subsequently on each reporting date, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

2.22. **Derivative financial instruments**

The Corporation uses derivative financial instruments, such as forward contracts, interest rate swaps to mitigate its foreign currency risk, interest risk and commodity price risk arising out of highly probable forecast transactions and are presented in Financial Statements, either as Financial Assets or Financial liabilities as the case may be.

2.22.1. **Derivatives Contracts designated as hedging instruments:**

Wherever Hedge Accounting is undertaken, at the inception of a hedge relationship, the Corporation formally designates and documents a) the hedge relationship to which it wishes to apply hedge accounting and b) the risk management objective and strategy. In such cases, the derivative financial instruments are recognized at fair value with due assessment to effectiveness of the hedge instrument. By following Cash Flow Hedges, the effective portion of changes in the fair value is recognized in Other Comprehensive Income (OCI) and accumulated under Cash Flow Hedge Reserve within Other Equity whereas the ineffective portion, if any, is recognized immediately in the Statement of Profit and Loss and presented under Other Income or Other Expenses, as the case may be. The effective portion, previously recognized in OCI and accumulated as Cash Flow Hedge Reserve is reclassified to the Statement of Profit and Loss in the subsequent period, during which, the hedged expected future cash flows affect profit or loss and further guided to the same line item to which the underlying is accounted. Further, in case of previously recognized forecasted transaction, upon the knowledge of its non-occurrence, the effective portion of cumulative gain or loss is forthwith recognized by transferring from Cash Flow Hedge Reserve to the Statement of Profit and Loss. If the amount accumulated in Cash Flow Hedge Reserve is a loss and Corporation expects that all or a portion of that loss will not be recovered in one or more future period, the Corporation immediately reclassifies the amount that is not expected to be recovered into profit or loss as a reclassification adjustment. The hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

2.22.2. **Derivatives Contracts not designated as hedging instruments**

The derivative financial instruments are accounted at fair value through Profit or Loss and presented under Other Income or Other Expenses, as the case may be.

2.23. **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.24. **Taxes on Income**

2.24.1. Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961;

2.24.2. Deferred tax liability/asset on account of temporary difference is recognised using tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date;

2.24.3. Deferred tax assets are recognised and carried forward for all deductible temporary differences only to the extent that it is probable that taxable profit will be available in future against which the deductible temporary difference can be utilized;

2.24.4. The carrying amount of deferred tax assets/Liabilities is reviewed at each Balance Sheet date.

2.24.5. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, is considered as an asset when it is probable that the future economic benefits associated with it, will flow to the Corporation.



2.25. Earnings per share

- 2.25.1. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period;
- 2.25.2. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

2.26. Cash and Cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.27. Cash Flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated. For the purpose of the Statement of Cash Flows, cash and cash equivalent consist of cash, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Corporation's cash management.

2.28 Dividend

The Company recognises a liability to make cash distributions to equity holders of the Corporation when the distribution is authorised and the distribution is no longer at the discretion of the Corporation. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in other equity.

3. Property, Plant and Equipment

The following are the carrying values of Property, Plant & Equipments (PPE):

(₹ / Crore)											
Particulars	Land - Freehold	Right of Use Assets #	Buildings	Plant & Equipment	Furniture & Fixtures	Transport Equipment	Office Equipment	Roads and Culverts	Railway Siding & Rolling Stock	E&P Assets	Total
Gross Block											
As on 01.04.2021	1,111.44	4,057.14	7,356.79	44,830.60	294.55	165.03	3,895.37	3,681.86	516.58	5.77	65,915.13
Additions	142.62	1,015.60	740.77	8,269.00	39.15	8.33	600.32	496.84	79.19	-	11,391.82
Deductions/ Reclassifications	6.38	234.40	19.46	555.65	14.73	0.52	28.84	0.22	0.02	-	860.22
As on 31.03.2022	1,247.68	4,838.34	8,078.10	52,543.95	318.97	172.84	4,466.85	4,178.48	595.75	5.77	76,446.73
Depreciation/ Amortisation											
As on 01.04.2021	-	372.79	937.76	10,891.80	126.78	76.25	2,051.35	2,041.31	154.67	1.55	16,654.26
For the year	-	249.74	207.05	2,559.73	29.71	16.30	468.74	371.52	39.54	0.48	3,942.81
Deductions/ Reclassifications	-	51.33	3.10	372.93	6.72	0.22	25.91	1.45	-	-	461.66
As on 31.03.2022	-	571.20	1,141.71	13,078.60	149.77	92.33	2,494.18	2,411.38	194.21	2.03	20,135.41
Net Block as on 01.04.2021	1,111.44	3,684.35	6,419.03	33,938.80	167.77	88.78	1,844.02	1,640.55	361.91	4.22	49,260.87
Net Block as on 31.03.2022	1,247.68	4,267.14	6,936.39	39,465.35	169.20	80.51	1,972.67	1,767.10	401.54	3.74	56,311.32

refer note 42

Notes:

- Includes assets costing ₹ 0.007 Crore /- (31.03.2021 : ₹ 0.007 Crore) of erstwhile Kosan Gas Company that have not been handed over to the Corporation. Though Kosan Gas Company was to give up their claim, in view of the tenancy right sought by third party, the matter is under litigation.
- Includes ₹ 1049.3 Crore (31.03.2021: ₹ 1035.63 Crore) towards Land, Building, Plant & Equipment, Furniture & Fixtures, Transport equipments, Office Equipments, Pipelines, Railway Sidings, etc. representing Corporation's Share of Assets, jointly owned with other Companies.
- Includes ₹ 32.25 Crore (31.03.2021 : ₹ 32.35 Crore) towards Roads & Culverts, Transformers & Transmission lines, Railway Sidings & Rolling Stock for which though ownership does not vest with the Company, operational control over such assets is exercised. These assets are amortized as per useful life specified in Schedule II of Companies Act, 2013.
- a) Includes following assets used for distribution of PDS Kerosene under Jana Kalyan Pariyojana against which financial assistance had been provided by Oil Industry Development Board:

Description	Original Cost (₹ / Crore)	
	31.03.2022	31.03.2021
Roads & culverts	0.12	0.13
Buildings	1.58	1.58
Plant & Equipment	2.03	2.07
Office Equipment	0.00	0.00
Total	3.73	3.78

- Includes following assets held under PAHAL (DBTL) scheme against which financial assistance had been provided by Ministry of Petroleum & Natural Gas, Government of India.

Description	Original Cost (₹ / Crore)	
	31.03.2022	31.03.2021
Computer Software	7.49	7.49
Computers/ End use devices	5.65	5.65
Office Equipment	0.01	0.01
Automation, Servers & Networks	1.55	1.55
Total	14.70	14.70

5. Assets held for sale consists of items such as Plant and equipment, office equipment, transport equipment, buildings, furnitures and fixtures and roads and culverts which have been identified for disposal due to replacement/ obsolescence of assets which happens in the normal course of business. These assets are expected to be disposed off within the next twelve months. On account of classification of these assets as 'Asset held for sale', a loss of ₹ 92.20 Crore during the year (2020-21: ₹ 13.92 Crore) has been recognised in the statement of profit and loss.
6. Includes Right of Use Assets having Gross value ₹ 92.43 Crore (31.03.2021: ₹ 19.38 Crore) for land acquired on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB), that has not been amortized over the period of lease in view of freehold title that would vest upon fulfilment of certain terms and conditions, as per allotment letter.
7. Includes adjustment to Cost of Assets pursuant to exchange differences arising on long term foreign currency monetary items of ₹ Nil Crore during 2021-22 (2020-21: ₹ -70.21 Crore), which, in accordance with Para 7AA of Ind AS 21 read with Para D13AA of Ind AS 101 are capitalized and depreciated over the balance useful life of the assets.
8. The Corporation has considered pipeline assets laid within the boundary limit of its premises as integral part of Tanks / Other Plant and Machinery and have been depreciating such assets based on the useful life of associated Plant & Equipment, in line with the Schedule II of the Companies Act, 2013.
9. Includes assets of ₹ 1.00 Crore (31.03.2021: ₹ 1.03 Crore) forming part of Plant & Equipment, Buildings & Roads & Culverts, wherein though Infrastructure Facilities were provided at Railway Premises, no sales transactions were entered into during current financial year.
10. The process of capitalization in respect of Property, Plant and Equipment including accounting of Capital Work-in-Progress is under continuous review and updation, wherever required, is being carried out on a regular basis.
11. In the nature of business carried out by the Corporation, there are certain leasehold immovable properties, which are under its continuous possession, control and use over the period, the lease agreement of which have expired. Pending renewal of such leases, these have not been recognized as Right of Use Assets.
12. Title deeds of Immovable Properties not held in name of the Corporation (Other than properties where the Corporation is the lessee and the lease agreements are duly executed in favour of the Corporation)

As on 31st March, 2022

Relevant Item in the Balance Sheet	Description of Item of Property	Gross Carrying Value (₹ /Crore)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Corporation
Property, Plant and Equipment	Land	0.00	Not available	No	01-01-1964	Title document in the name of the Corporation could not be traced, though possession and control is enjoyed.
Property, Plant and Equipment	Land	0.00	Not available	No	01-03-1999	
Property, Plant and Equipment	Land	0.00	Not available	No	01-03-1998	
Property, Plant and Equipment	Land	0.01	Not available	No	01-09-2000	Title document in the name of the Corporation (reconciliation of which was pending as on March 31, 2021 and subsequently completed during the current reporting period) could not be traced as on March 31, 2022, though possession and control is enjoyed.
Property, Plant and Equipment	Land	0.01	Not available	No	01-03-1987	
Property, Plant and Equipment	Land	0.02	Not available	No	01-03-1987	

As on 31st March, 2021

Relevant Item in the Balance Sheet	Description of Item of Property	Gross Carrying Value (₹ / Crore)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Corporation
Property, Plant and Equipment	Land	0.00	Not available	No	01-12-1964	As of March 31, 2021, the title document in the name of Corporation could not be traced. (During 2021-22, these title documents, carrying the title in the name of Corporation were traced).
Property, Plant and Equipment	Land	0.38	Not available	No	01-11-1990	
Property, Plant and Equipment	Land	0.32	Not available	No	01-03-1985	
Property, Plant and Equipment	Land	0.09	Not available	No	01-11-1990	
Property, Plant and Equipment	Land	0.00	Not available	No	01-11-1990	
Property, Plant and Equipment	Land	0.00	Not available	No	01-12-1952	
Property, Plant and Equipment	Land	0.00	Not available	No	01-12-1952	
Property, Plant and Equipment	Land	0.02	Not available	No	01-03-1991	
Property, Plant and Equipment	Land	0.65	Not available	No	01-03-2003	
Property, Plant and Equipment	Land	0.78	Not available	No	01-03-2003	
Property, Plant and Equipment	Land	0.01	Not available	No	01-05-1965	
Property, Plant and Equipment	Land	0.00	Not available	No	01-08-1997	
Property, Plant and Equipment	Land	0.00	Not available	No	01-11-1966	
Property, Plant and Equipment	Land	0.00	Not available	No	01-01-1964	Title document in the name of the Corporation could not be traced, though possession and control is enjoyed.
Property, Plant and Equipment	Land	0.00	Not available	No	01-03-1999	
Property, Plant and Equipment	Land	0.00	Not available	No	01-03-1998	

For the purpose of this disclosure, other substantive evidences such as allotment letters, Court orders, noting in municipal / revenue records, property tax receipts etc. conveying title to the Company over the property has been taken into consideration.

4. Capital Work-in-Progress (CWIP)

	(₹ / Crore)	
	2021-22	2020-21
Unallocated Capital Expenditure and Materials at Site	23,099.81	21,111.16
Capital Stores lying with Contractors	866.56	954.45
Capital goods in transit	7.84	0.13
A	23,974.21	22,065.74
Construction period expenses pending apportionment (Net of recovery) :		
Opening balance	1,987.52	1,220.54
Add: Expenditure during the year:		
Establishment charges including Salaries and Wages	172.64	149.75
Interest	1,194.77	717.21
Loss / (gain) on foreign currency transactions and translations	-	(70.21)
Others	12.88	3.95
	3,367.81	2,021.24
Less: Allocated to assets capitalised during the year	784.61	33.72
Closing balance pending allocation	2,583.20	1,987.52
A + B	26,557.41	24,053.26

4.1. Refer Note 21.2.

**4.2. Capital Work-in-Progress ageing schedule**

(₹ / Crore)

	2021-22	2020-21
Projects in progress		
Less than 1 year	8,783.03	8,754.19
1 to 2 years	6,763.64	10,392.02
2 to 3 years	7,791.83	4,242.00
More than 3 years	3,209.61	640.34
Projects temporarily suspended		
Less than 1 year	-	-
1 to 2 years	1.51	3.17
2 to 3 years	0.55	4.59
More than 3 years	7.24	16.95
	26,557.41	24,053.26

Note: Ageing is determined by following the premise that the earliest expenditure qualifies foremost in the sequencing of capitalization.

4.3. Capital Work-in Progress completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan as on 31st March, 2022

(₹ / Crore)

CWIP	To be completed in			
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years
Projects in progress				
Visakh Refinery Modernization project	18,107.53	-	-	-
Vijayawada Dharmapuri Pipeline	2,400.85	-	-	-
2G Biorefinery at Bathinda	327.59	-	-	-
CB-220 KV Grid supply facility	252.68	-	-	-
New LPG Plant at Patalaganga	173.53	-	-	-
Sulphur forming unit in Sulphur Recovery Unit	134.04	-	-	-
New LPG Plant at Barhi	126.76	-	-	-
Sea water reverse osmosis-II with low level pump house facilities	110.99	-	-	-
Vacuum Pressure Swing Adsorption in Sulphur Recovery Unit	103.33	-	-	-
Two Crude tanks	94.62	-	-	-
Phase II Facilities of R&D	87.32	-	-	-
Office Premises at Delhi	87.27	-	-	-
Mumbai Refinery Expansion Project	38.19	-	-	-
Other Projects*	853.83	11.43	0.50	-
Projects temporarily suspended				
Aggregate of various projects	9.30	-	-	-

* Covering project cost > ₹ 100 Crore subject to open CWIP as of 31.03.2022 < ₹ 25 Crore and others involving project cost ≤ ₹ 100 Crore.

Capital Work-in Progress completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan as on 31st March, 2021

(₹ / Crore)

CWIP	To be completed in			
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years
Projects in progress				
Visakh Refinery Modernization project	11,605.33	1,948.09	-	-
Mumbai Refinery Expansion Project	4,341.52	-	-	-
Vijayawada Dharmapuri Pipeline	-	1,940.20	-	-
CB-220 KV Grid supply facility	199.17	-	-	-
Phase II Facilities of R&D	182.41	-	-	-
Sea water reverse osmosis-II with low level pump house facilities	92.38	-	-	-
New LPG Plant at Gonda, U.P	87.17	-	-	-
Depot at Hissar	81.07	-	-	-
New LPG Plant at Patalaganga	75.12	-	-	-
New LPG Plant at Barhi	56.97	-	-	-
Office Premises at Delhi	39.56	-	-	-
HP Green R&D Centre Infra Augmentation	34.30	-	-	-
Other Projects*	888.17	144.39	-	-
Projects temporarily suspended				
Aggregate of various projects	14.64	10.07	-	-

* Covering project cost > ₹ 100 Crore subject to open CWIP as of 31.03.2021 < ₹ 25 Crore and others involving project cost ≤ ₹ 100 Crore.

5. Intangible Assets

The following are the carrying values of Intangible assets :

(₹ / Crore)

Particulars	Right of Way	Technical / Process Licenses	Software	Wind Energy	Total
Gross Block					
As on 01.04.2021	471.06	67.37	123.97	188.85	851.25
Additions	136.41	65.65	17.17	9.23	228.46
Deductions/ Reclassifications	-	-	0.80	4.79	5.59
As on 31.03.2022	607.47	133.02	140.34	193.29	1,074.12
Depreciation/ Amortisation					
As on 01.04.2021	0.34	49.12	100.30	61.83	211.59
For the year	2.84	13.57	15.88	10.43	42.72
Deductions/ Reclassifications	0.01	-	0.80	1.65	2.46
As on 31.03.2022	3.17	62.69	115.38	70.61	251.85
Net Block as on 01.04.2021	470.72	18.25	23.67	127.02	639.66
Net Block as on 31.03.2022	604.30	70.33	24.96	122.68	822.27

Note: Includes ₹ 79.51 Crore (31.03.2021: ₹ 77.14 Crore) towards Right of Way representing Company's Share of Assets, jointly owned with other Companies.

5A. Intangible Assets under development (IAUD)

(₹ / Crore)

	31.03.2022	31.03.2021
Opening balance	180.24	96.76
Add: Expenditure during the year		
Expenditure on Intangible assets	63.11	67.29
Establishment charges including Salaries and Wages	20.40	13.94
Interest	10.47	2.25
	274.22	180.24
Less: Capitalised during the year	65.65	-
Closing balance	208.57	180.24



5A.1. Intangible Assets under development ageing schedule

(₹ / Crore)

	31.03.2022	31.03.2021
Projects in progress		
Less than 1 year	78.91	82.87
1 to 2 years	74.09	52.52
2 to 3 years	10.72	23.09
More than 3 years	44.85	21.76
Projects temporarily suspended		
Less than 1 year	-	-
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	-	-
	208.57	180.24

5A.2. Intangible Assets under development completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan as on 31st March, 2022

(₹ / Crore)

IAUD	To be completed in			
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years
Projects in Progress				
Process Licenses for Visakh Refinery	86.77	-	-	-
Modernization project	-	-	-	-
Projects temporarily Suspended	-	-	-	-

Intangible Assets under development completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan as on 31st March, 2021

(₹ / Crore)

IAUD	To be completed in			
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years
Projects in Progress				
Process Licenses for Visakh Refinery	18.18	27.04	-	-
Modernization project	-	-	-	-
Process Licenses for Mumbai Refinery	50.60	-	-	-
Expansion Project	-	-	-	-
Projects temporarily Suspended	-	-	-	-

6. Investment in Subsidiaries, Joint Ventures and Associates

	(₹ / Crore)	
	31.03.2022	31.03.2021
Investments in Equity Instruments		
Subsidiaries (at cost)		
Un - Quoted		
HPCL - Biofuels Limited 98,67,32,371 (31.03.2021 : 97,89,51,511) Equity Shares of ₹ 10 each fully paid up	756.72	748.94
Less : Provision for Impairment (refer Note 57)	572.16	572.16
Prize Petroleum Company Limited 24,50,00,000 (31.03.2021 : 24,50,00,000) Equity Shares of ₹ 10 each fully paid up (refer Note 6.1)	249.87	248.97
Less : Provision for Impairment (refer Note 58)	176.98	162.98
HPCL Middle East FZCO 4,330 (31.03.2021: 3,107) Shares of AED 1000 each fully paid up	8.33	5.92
HPCL LNG Limited (refer Note 6.2) 1,25,70,00,000 (31.03.2021 : 117,20,00,000) Equity Shares of ₹ 10 each fully paid up	1,397.07	1,312.07
Associates (at cost)		
Quoted		
Mangalore Refinery and Petrochemicals Limited 29,71,53,518 (31.03.2021 : 29,71,53,518) Equity Shares of ₹ 10 each fully paid up	471.68	471.68
Un - Quoted		
GSPL India Transco Limited 6,67,70,000 (31.03.2021: 6,40,20,000) Equity Shares of ₹ 10 each fully paid up	66.77	64.02
Less : Provision for Impairment (refer Note 59)	14.00	-
GSPL India Gasnet Limited 20,81,22,128 (31.03.2021: 17,51,22,128) Equity Shares of ₹ 10 each fully paid up	208.12	175.12
Joint Ventures (at cost)		
Un - Quoted		
HPCL Rajasthan Refinery Limited (refer Note 6.3) 4,26,61,37,000 (31.03.2021 :179,82,37,000) Equity Shares of ₹ 10 each fully paid-up	4,266.14	1,798.24
HPCL-Mittal Energy Limited (refer Note 6.3) 3,93,95,55,200 (31.03.2021 : 3,93,95,55,200) Equity Shares of ₹ 10 each fully paid up	3,939.56	3,939.56
Hindustan Colas Private Limited 47,25,000 (31.03.2021 : 47,25,000) Equity Shares of ₹ 10 each fully paid up	4.73	4.73
Petronet India Limited (refer Note 6.4) 1,60,00,000 (31.03.2021 :1,60,00,000) Equity Shares of ₹ 0.10 each fully paid up	0.16	0.16
Petronet MHB Limited 27,43,33,672 (31.03.2021 :27,43,33,672) Equity Shares of ₹ 10 each fully paid up	369.31	369.31



	(₹ / Crore)	
	31.03.2022	31.03.2021
South Asia LPG Company Private Limited 5,00,00,000 (31.03.2021 : 5,00,00,000) Equity Shares of ₹ 10 each fully paid up	50.00	50.00
Bhagyanagar Gas Limited 4,36,50,000 (31.03.2021 : 4,36,50,000) Equity Shares of ₹ 10 each fully paid up	128.25	128.25
Aavantika Gas Limited 2,95,57,038 (31.03.2021: 2,95,57,038) Equity Shares of ₹ 10 each fully paid up	50.02	50.02
Mumbai Aviation Fuel Farm Facility Private Limited 5,29,18,750 (31.03.2021 : 4,82,88,750) Equity Shares of ₹ 10 each fully paid up	52.92	48.29
Godavari Gas Private Limited 2,31,28,899 (31.03.2021: 1,60,74,643) Equity Shares of ₹ 10 each fully paid up	23.13	16.07
Ratnagiri Refinery and Petrochemicals Limited 5,00,00,000 (31.03.2021: 5,00,00,000) Equity shares of ₹ 10 each fully paid up	50.00	50.00
HPOIL Gas Private Limited 7,25,00,000 (31.03.2021 : 7,25,00,000) Equity shares of ₹ 10 each fully paid up	72.50	72.50
IHB Limited 51,45,00,000 (31.03.2021 : 41,45,00,000) Equity shares of ₹ 10 each fully paid up	514.50	414.50
	11,916.64	9,233.21
Disclosures towards Cost / Market Value / Impairment		
a Aggregate amount of Quoted Investments (Market Value)	1,236.16	1,152.96
b Aggregate amount of Quoted Investments (Cost)	471.68	471.68
c Aggregate amount of Unquoted Investments (Cost)	12,208.10	9,496.67
d Aggregate amount of Provision for impairment	763.14	735.14

6.1. Increase of ₹ 0.90 Crore in the carrying amount is pursuant to accounting of corporate guarantee commission, which is in accordance with Ind AS 109.

6.2. HPCL LNG Limited (HPLNG), [formerly known as HPCL Shapoorji Energy Private Limited (HSEPL)], was incorporated in October 2013 as a joint venture company of HPCL and SP Ports Private Limited to construct and operate a Liquefied Natural Gas (LNG) regasification terminal at greenfield port of Chhara, Gir Somnath District, Gujarat. On March 30, 2021, HPCL had acquired the entire shares owned by SP Ports Private Limited and upon such acquisition, HPLNG became a wholly owned subsidiary of the Corporation.

6.3. As per the guidelines issued by Department of Public Enterprises (DPE) in August 2005, the Board of Directors of Navratna Public Sector Enterprises (PSEs) can invest in joint ventures and wholly owned subsidiaries subject to an overall ceiling of 30% of the net worth of the PSE. The Corporation has requested Ministry of Petroleum & Natural Gas (MOP&NG) to confirm its understanding that for calculating this ceiling limit, the amount of investments specifically approved by Government of India (i.e. investment in HPCL Mittal Energy Limited (HMEL) and HPCL Rajasthan Refinery Limited (HRRL)) are to be excluded. The Corporation has calculated the limit of 30% investment in joint ventures and wholly owned subsidiaries, by excluding these investments. As per financial position as on March 31, 2022, the investments in joint ventures and wholly owned subsidiaries are well within the said 30% limit.

6.4. Petronet India Limited is in the process of Voluntary winding up w.e.f. August 30, 2018.

7. Other Investments

	(₹ / Crore)	
	31.03.2022	31.03.2021
Investment in equity instruments carried at fair value through other comprehensive income		
Quoted		
Oil India Limited (refer Note 7.1) 2,67,50,550 (31.03.2021 : 2,67,50,550) Equity Shares of ₹ 10 each fully paid up	637.73	328.10
Scooters India Limited (refer Note 7.1) 10,000 (31.03.2021:10,000) Equity Shares of ₹ 10 each fully paid up	0.03	0.04
Investment in equity instruments carried at fair value through Profit or Loss		
Un - Quoted		
Woodlands Multispecialty Hospital Limited of face value of ₹ 0.21 lakhs 2,110 (31.03.2021: 2,110) Equity shares of ₹ 10 each fully paid	0.00	0.00
Shushrusha Citizen Co-operative Hospital Limited of the face value of ₹ 0.10 lakhs 100 (31.03.2021: 100) Equity Shares of ₹ 100/- each fully paid	0.00	0.00
Total Investments in Equity Instruments	637.76	328.14
Investments in Preference Shares carried at fair value through profit or Loss		
Others		
Un - Quoted		
Compulsorily convertible preference shares in 21 (31.03.2021: 20) Start-Up companies (refer Note 7.2)	17.80	13.82
Total Investments in Preference Shares	17.80	13.82
	655.56	341.96

7.1. The Corporation intends to hold these Investments for long term strategic purposes and accordingly designated them at fair value through Other Comprehensive Income. No strategic investments were disposed off during the financial year.

7.2. In view that these start-ups are in the stage of their development and are mostly in traction and refinement stages, the carrying value of these start-ups is considered as a reasonable approximation of their fair value.

	(₹ / Crore)	
	2021-22	2020-21
Disclosures towards Cost / Market Value / Impairment		
a Aggregate amount of Quoted Investments (Market Value)	637.76	328.14
b Aggregate amount of Quoted Investments (Cost)	561.77	561.77
c Aggregate amount of Unquoted Investments (Cost)	17.80	13.82
d Aggregate amount of Provision for impairment	-	-



8. Loans

	(₹ / Crore)	
	2021-22	2020-21
Secured		
Employee loans and advances and Interest thereon, considered good	380.79	368.03
Unsecured		
Loans to related parties, considered good (refer Note 44)	115.00	155.00
Other Loans		
Loan Receivables - considered good (refer Note 8.1)	611.41	776.86
Loan Receivables which have significant increase in credit risk (refer Note 8.1)	18.05	161.37
Loan Receivables – credit impaired (refer Note 8.1)	18.02	90.69
Less: Loss allowance (refer Note 8.2)	102.38	550.71
	1,040.89	1,001.24

8.1. Includes loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers ₹ 562.42 Crore (31.03.2021: ₹ 963.05 Crore) (refer Note 61).

8.2. Towards loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers (refer Note 61).

9. Other Financial Assets

	(₹ / Crore)	
	31.03.2022	31.03.2021
Security Deposits	134.74	132.69
Share application money pending allotment	1.29	10.74
Bank Deposit with more than 12 months maturity (refer Note 9.1)	7.98	7.09
Lease Receivables	0.97	0.97
	144.98	151.49

9.1. Earmarked with various authorities.

10. Other Non-Current Assets

	(₹ / Crore)	
	31.03.2022	31.03.2021
Balances with Excise, Customs, etc. (refer Note 10.1)	511.70	478.41
Less: Provision for doubtful claims (refer Note 10.1)	22.30	22.30
Deposits	139.80	93.56
Advance Tax (net of provisions)	1,436.62	1,256.88
Capital advances	137.63	220.60
Advance to Employee's Benefit Trusts (refer Note 67)	349.24	243.00
Less: Provision for doubtful receivables (refer Note 67)	154.23	170.10
Prepaid employee cost	168.39	168.60
Prepaid Lease Rentals	1.11	0.30
Other Prepaid Expenses	363.33	493.74
	2,931.29	2,762.69

10.1. Includes an amount of ₹ 58.26 Crore (31.03.2021: ₹ 58.26 Crore) net of provision of ₹ 22.30 Crore (31.03.2021: ₹ 22.30 Crore) carried as receivable towards Customs Duty refund claims, filed relating to the periods 1992-97 to 2020-21. As per the assessment made by the management, though partially provided to account for afflux of time, the refund is legally tenable, management is continuing to pursue the matter with Authorities for early settlement of these claims.

11. Inventories

	(₹ / Crore)	
	31.03.2022	31.03.2021
Raw materials (Including in transit 31.03.2022: ₹ 4,893.55 Crore ; 31.03.2021: ₹ 993.50 Crore)	9,922.30	3,906.20
Work-in-progress	1,983.86	1,020.53
Finished goods (Including in transit 31.03.2022 : ₹ 150.08 Crore ; 31.03.2021: ₹ 200.69 Crore)	9,640.93	8,660.01
Stock-in-trade (Including in transit 31.03.2022: ₹ 1,713.41 Crore ; 31.03.2021: ₹ 1,547.00 Crore)	13,202.33	14,517.01
Stores and spares (Including in transit 31.03.2022: ₹ 1.22 Crore; 31.03.2021 : ₹ 24.06 Crore)	601.81	494.57
Less : Provision for Stores and Spares	47.11	54.02
Packages	41.49	47.87
	35,345.61	28,592.17

11.1. The write-down net of reversals, if any, of Inventories to net realisable value during the financial year amounted to ₹ 1,891.92 Crore (31.03.2021 : ₹ 122.24 Crore). The write downs and reversal are included in cost of materials consumed, changes in Inventories of finished goods, stock-in-trade and work in progress.

11.2. Inventories of the Corporation are hypothecated in favour of banks on pari passu basis as a security for availment of Cash Credit facility.

12. Investments

	(₹ / Crore)	
	31.03.2022	31.03.2021
Investments carried at fair value through Profit or Loss		
Quoted - Government Securities		
6.90% Oil Marketing Companies' GOI Special Bonds, 2026 17,36,36,000 (31.03.2021:17,36,36,000) Bonds of ₹ 100 each face value	1,780.91	1,794.07
8.00% Oil Marketing Companies' GOI Special Bonds, 2026 24,41,000 (31.03.2021:24,41,000) Bonds of ₹ 100 each face value	25.97	26.37
8.20% Oil Marketing Companies' GOI Special Bonds, 2024 1,23,49,000 (31.03.2021:1,23,49,000) Bonds of ₹ 100 each face value	131.08	133.47
6.35% Oil Marketing Companies' GOI Special Bonds, 2024 18,32,33,000 (31.03.2021:18,32,33,000) Bonds of ₹ 100 each face value	1,864.45	1,870.31
7.59% Government of India, G - Sec Bonds, 2026 1,85,00,000 (31.03.2021: 1,85,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	194.70	197.47
7.72% Government of India, G - Sec Bonds, 2025 8,36,00,000 (31,03.2021: 8,36,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	884.49	897.03
8.33% Government of India, G - Sec Bonds, 2026 1,80,00,000 (31,03.2021: 1,80,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	193.88	197.46
8.15% Government of India, G - Sec Bonds, 2026 2,75,00,000 (31,03.2021: 2,75,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	296.04	301.40
	5,371.52	5,417.58

12.1. 7.59%, 7.72%, 8.33%, 8.15% G - Sec Bonds having face value aggregating to ₹ 1,476 Crore (31.03.2021: ₹ 1,476 Crore) have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.



	(₹ / Crore)	
	31.03.2022	31.03.2021
Disclosures towards Cost / Market Value / Impairment		
a Aggregate amount of Quoted Investments (Market Value)	5,371.52	5,417.58
b Aggregate amount of Quoted Investments (Cost)	5,267.26	5,267.26
c Aggregate amount of Unquoted Investments (Cost)	-	-
d Aggregate amount of Provision for impairment	-	-

13. Trade Receivables

	(₹ / Crore)	
	31.03.2022	31.03.2021
Unsecured		
Considered good	6,366.72	6,207.32
Which have significant increase in credit risk	-	809.77
Credit impaired	137.37	159.36
	6,504.09	7,176.45
Less: Loss allowance (refer Note 13.1)	172.29	320.14
	6,331.80	6,856.31

13.1. Includes ₹ 137.37 Crore (31.03.2021 : ₹ 303.62 Crore) on trade receivables of ₹ 137.37 Crore (31.03.2021 : ₹ 969.13 Crore) for which the credit risk has been assessed on an individual basis.

13.2. Trade Receivables ageing schedule:

	(₹ / Crore)			
Particulars	31.03.2022		31.03.2021	
	Undisputed	Disputed	Undisputed	Disputed
(i) Considered good				
Unbilled	3.10	-	7.22	-
Not Due	3,553.20	0.05	2,240.09	3.38
Less than 6 months	2,597.89	12.57	3,853.33	13.57
6 months to 1 year	17.28	28.12	7.83	24.16
1 to 2 years	29.08	36.65	6.88	31.08
2 to 3 years	36.83	34.22	3.83	1.42
More than 3 years	4.13	13.60	1.84	12.69
(ii) Which have significant increase in credit risk				
Unbilled	-	-	-	-
Not Due	-	-	166.42	-
Less than 6 months	-	-	101.95	-
6 months to 1 year	-	-	248.78	-
1 to 2 years	-	-	276.91	-
2 to 3 years	-	-	15.71	-
More than 3 years	-	-	-	-
(iii) Credit impaired				
Unbilled	-	-	-	-
Not Due	-	-	-	-
Less than 6 months	0.74	-	2.30	-
6 months to 1 year	1.00	-	0.11	0.03
1 to 2 years	0.20	0.03	0.54	0.99
2 to 3 years	1.24	0.75	0.81	0.16
More than 3 years	81.59	51.82	108.14	46.28
	6,326.28	177.81	7,042.69	133.76

14. Cash and Cash Equivalents

	(₹ / Crore)	
	31.03.2022	31.03.2021
Balances with Scheduled Banks:		
- on Current Accounts	101.36	150.94
- on Non-Operative Current Accounts	-	0.01
Cash on Hand	5.86	4.34
	107.22	155.29

15. Bank Balances other than cash and cash equivalents

	(₹ / Crore)	
	31.03.2022	31.03.2021
Earmarked balances with banks for unpaid dividend	23.32	19.01
Earmarked balances with banks for buy-back of shares	-	62.50
Fixed Deposits with 3 - 12 months maturity (refer Note 15.1)	0.42	0.40
	23.74	81.91

15.1. Earmarked with various authorities.

16. Loans

	(₹ / Crore)	
	31.03.2022	31.03.2021
Secured		
Employee loans and advances and Interest thereon, considered good	48.39	52.74
Unsecured		
Loans to related parties, considered good (refer Note 44)	110.00	10.00
Other Loans		
Loan Receivables - considered good (refer Note 16.1)	97.16	105.23
Loan Receivables which have significant increase in credit risk (refer Note 16.1)	2.88	15.38
Loan Receivables - credit impaired (refer Note 16.1)	14.87	20.64
Less: Loss allowance (refer Note 16.2)	28.32	79.36
	244.98	124.63

16.1. Includes loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers ₹ 89.65 Crore (31.03.2021: ₹ 117.8 Crore) (refer Note 61).

16.2. Includes Provision towards loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers: ₹ 16.32 Crore (31.03.2021: ₹ 67.36 Crore) (refer Note 61).

17. Other Financial Assets

	(₹ / Crore)	
	31.03.2022	31.03.2021
Margin Money Deposits	64.95	-
Amounts recoverable under subsidy schemes	14.77	17.26
Less: Loss allowance	10.47	10.47
Interest accrued on Investments	88.96	89.43
Delayed payment charges receivable from customers	187.88	313.12
Less : Loss allowance	123.91	153.07
Receivables from Government of India		
- Pradhan Mantri Ujjwala Yojana (PMUY) & Direct Benefit Transfer of LPG (DBTL)	103.84	286.82
Balance with Life Insurance Corporation of India towards Employee Leave Encashment	913.85	975.04
Other Receivables (refer Note 17.1)	441.91	397.10
Less: Loss allowance (refer Note 17.1)	162.72	153.25
	1,519.06	1,761.98



17.1. Includes an amount of ₹ 91.58 Crore (31.03.2021: ₹ 91.58 Crore) towards balance claim pending for settlement from the Government of India in respect of free LPG Cylinders issued to beneficiaries under Pradhan Mantri Garib Kalyan Yojana on which a provision of ₹ 91.58 Crore (31.03.2021 : ₹ 91.58 Crore) is carried in the books.

18. Other Current Assets

	(₹ / Crore)	
	31.03.2022	31.03.2021
Advances other than Capital Advances	74.73	56.53
Balances with Excise, Customs, etc.	146.22	42.20
Prepaid employee cost	16.62	15.08
Prepaid Lease Rentals	4.12	20.43
Other Prepaid Expenses	202.15	242.99
Other Current Assets	123.17	248.93
	567.01	626.16

19. Equity Share capital

	(₹ / Crore)	
	31.03.2022	31.03.2021
A. Authorised:		
2,49,92,50,000 (31.03.2021 : 2,49,92,50,000) Equity Shares of ₹ 10/- each	2,499.25	2,499.25
75,000 (31.03.2021: 75,000) Cumulative Redeemable Preference Shares of ₹ 100/- each	0.75	0.75
	2,500.00	2,500.00
B. Issued & Subscribed:		
1,41,92,51,095 (31.03.2021: 1,45,27,23,884) Equity Shares of ₹ 10/- each	1,419.25	1,452.72
C. Fully Paid up:		
1,41,85,48,345 (31.03.2021: 1,45,20,21,134) Equity Shares of ₹ 10/- each	1,418.55	1,452.02
D. Shares Forfeited:		
7,02,750 (31.03.2021: 7,02,750) Shares Forfeited (money received)	0.39	0.39
	1,418.94	1,452.41

E. Reconciliation of number of equity shares

	Number of Shares	
	31.03.2022	31.03.2021
Outstanding at the beginning of the year	1,45,20,21,134	1,52,38,22,625
Equity shares allotted as fully paid bonus shares	-	-
Equity shares extinguished including pending extinguishment bought under shares buy-back program (refer Note 19 H (ii))	3,34,72,789	7,18,01,491
Outstanding at the end of the year	1,41,85,48,345	1,45,20,21,134

F. Rights and Restrictions on Equity Preference

The Corporation has only one class of Equity Shares having a face value of ₹ 10/- per share which are issued and subscribed. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of the winding up, the holders of equity shares will be entitled to receive the remaining assets in proportion to the number of equity shares held by the shareholders and the amount paid up thereon.

The Corporation also has 75,000 6% cumulative Redeemable Non-convertible Preference Shares of ₹ 100 /- each as a part of the Authorised Capital, which were issued earlier by the erstwhile ESSO Standard Refining Co. of India Limited (ESRC) . Presently the said Preference Shares stand redeemed.

G. Details of shares held by each shareholder, holding more than 5% shares:

Name of shareholders	31.03.2022	
	% Holding	No. of Shares
Oil and Natural Gas Corporation Limited	54.90	77,88,45,375

Name of shareholders	31.03.2021	
	% Holding *	No. of Shares
Oil and Natural Gas Corporation Limited	53.64	77,88,45,375

* Calculated considering both shares extinguished and pending extinguishment (refer Note 19 H (ii))

H. In the period of five years immediately preceding 31st March, 2022:

- The Corporation had issued Bonus Shares numbering 50,79,40,875/- equity shares (having face value of ₹ 10/- each) during Financial Year 2017-18 in the ratio of 1:2 by capitalization of Reserves.
- The Board, at its meeting held on November 04, 2020 approved the buyback of fully paid-up equity shares of the face value of ₹ 10/- from the open market through stock exchange mechanism for an aggregate amount not exceeding ₹ 2,500 Crore ("Maximum Buyback Size") and at a price not exceeding ₹ 250 per Equity Share, payable in cash. The shares buy-back program, which commenced on November 17, 2020 has concluded on May 14, 2021. During the buy-back period, a total of 10,52,74,280/- shares, representing 6.91% of paid up Share Capital (prior to commencement of buy-back) having a face value of ₹ 1,05,27,42,800/- have been bought back and extinguished.

(As on March 31, 2021, equity shares numbering 7,18,01,491/-, having a face value of ₹ 71,80,14,910/- were bought back. Of which, in line with SEBI Regulations, 6,79,77,038/- shares had been extinguished till March 31, 2021 and the rest of it on April 20, 2021).

I. Details of shares held by promoters as at

Name of the Promoter	31.03.2022		
	No. of Shares	% of total Shares	% Change during the year (No. of Shares)
Oil and Natural Gas Corporation Limited	77,88,45,375	54.90	-
Total	77,88,45,375	54.90	-

Name of the Promoter	31.03.2021		
	No. of Shares	% of total Shares	% Change during the year (No. of Shares)
Oil and Natural Gas Corporation Limited	77,88,45,375	53.64	-
Total	77,88,45,375	53.64	-



20. Other Equity

		(₹ / Crore)	
		31.03.2022	31.03.2021
Capital Redemption Reserve	(i)	105.27	71.80
Debenture Redemption Reserve	(ii)	625.00	625.00
General Reserve	(iii)	-	-
Equity Instruments through Other Comprehensive Income	(iv)	75.99	(233.64)
Cash Flow Hedge Reserve	(v)	(138.67)	(0.85)
Retained Earnings	(vi)	36,590.51	34,271.39
		37,258.10	34,733.70
(i) Capital Redemption Reserve			
As per last Balance Sheet		71.80	-
Add: Transfer from General Reserve		-	71.80
Add: Transfer from Retained Earnings		33.47	-
		105.27	71.80
(ii) Debenture Redemption Reserve			
As per last Balance Sheet (refer Note 20.1)		625.00	625.00
		625.00	625.00
20.1. The reserve is created on Non-Convertible Debentures (totalling to ₹ 2,500 Crore) issued till 15 th August 2019 under Companies Act, 2013.			
(iii) General Reserve			
As per last Balance Sheet		-	1,777.65
Less: Utilisation for buy-back of shares		-	1,705.85
Less: Transfer to Capital Redemption Reserve		-	71.80
		-	-
(iv) Equity Instruments through Other Comprehensive Income			
As per last Balance Sheet		(233.64)	(340.53)
Add : Additions during the year		309.63	106.89
		75.99	(233.64)
(v) Cash Flow Hedge Reserve			
As per last Balance Sheet		(0.85)	(18.04)
Add : Effective Portion of Gains/(loss) in Cash Flow Hedges		(138.67)	(0.85)
Less : Reclassification to Statement of Profit and Loss		(0.85)	(18.04)
		(138.67)	(0.85)
(vi) Retained Earnings			
As per last Balance Sheet		34,271.39	25,394.07
Add : Profit/(Loss) for the year		6,382.63	10,663.88
Less : Transfer to Capital Redemption Reserve		33.47	-
Less: Utilisation for buy-back of shares		932.39	208.61
Less : Profit appropriated towards final Dividend (refer Note 48)		3,227.20	1,485.72
Less : Remeasurement (Gain)/Loss on Defined Benefit Plans		(129.55)	92.23
		36,590.51	34,271.39
		37,258.10	34,733.70

21. Borrowings

	(₹ / Crore)	
	31.03.2022	31.03.2021
Bonds and Debentures (refer Note 21.1)		
Un - secured		
Foreign Currency Bonds	3,781.30	3,646.17
8.00% Non-Convertible Debentures	499.86	499.81
7.00% Non-Convertible Debentures	1,999.86	1,999.81
6.80% Non-Convertible Debentures	2,999.94	2,999.85
6.38% Non-Convertible Debentures	599.91	599.83
7.03% Non-Convertible Debentures	1,399.78	1,399.76
5.36% Non-Convertible Debentures	1,199.94	1,199.92
4.79% Non-Convertible Debentures	1,999.93	1,999.89
6.63% Non-Convertible Debentures	1,949.79	-
6.09% Non-Convertible Debentures	1,499.84	-
Term loans		
Secured		
Oil Industry Development Board (refer Note 21.2)	100.00	2,850.00
Un - secured		
From Banks		
Syndicated loans repayable in foreign currency (refer Note 21.3)	12,421.77	7,994.50
Others (refer Note 21.4)	4,525.00	-
	34,976.92	25,189.54
Less: Current Maturities of Long Term Borrowings	3,749.94	725.00
	31,226.98	24,464.54

21.1. Bonds and Debentures

Particulars of Bond/Debenture	Coupon Rate of Interest	Date of Maturity/Redemption
6.63% Non-Convertible Debentures	6.63% p.a. payable Annually	11 th April 2031
7.03% Non-Convertible Debentures	7.03% p.a. payable Annually	12 th April 2030
USD 500 million bonds	4.00% p.a. payable Half Yearly	12 th July 2027
6.09% Non-Convertible Debentures	6.09% p.a. payable Annually	26 th February 2027
5.36% Non-Convertible Debentures	5.36% p.a. payable Annually	11 th April 2025
7.00% Non-Convertible Debentures	7.00% p.a. payable Annually	14 th August 2024
8.00% Non-Convertible Debentures	8.00% p.a. payable Annually	25 th April 2024
4.79% Non-Convertible Debentures	4.79% p.a. payable Annually	23 th October 2023
6.38% Non-Convertible Debentures	6.38% p.a. payable Annually	12 th April 2023
6.80% Non-Convertible Debentures	6.80% p.a. payable Annually	15 th December 2022

Of the loan amount ₹ 2,999.94 Crore (31.03.2021: ₹ Nil Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note 25.

21.2. Term Loans from Oil Industry Development Board

Repayable during	₹ in Crore		Range of Interest Rate as on	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
2021-22		725.00		6.53%-8.28%
2022-23	25.00	750.00	5.68%	5.68%-8.28%
2023-24	25.00	750.00	5.68%	5.68%-8.28%
2024-25	25.00	600.00	5.68%	5.68%-7.96%
2025-26	25.00	25.00	5.68%	5.68%-5.68%
Total	100.00	2,850.00		

Of the total loan outstanding as on March 31, 2021, loan aggregating to ₹ 2,150 Crore have been refinanced through unsecured term loan from HDFC Bank during the current financial year. The loan outstanding as on reporting date has been secured with first charge on the facilities of Vishakh Refinery Modernisation Project for a value of ₹ 18,194.30 Crore (31.03.2021: ₹ 13,598.64 Crore), Mumbai Refinery Expansion Project for a value of ₹ Nil Crore (31.03.2021: ₹ 3,839.23 Crore). Of the loan amount ₹ 25.00 Crore (31.03.2021: ₹ 725.00 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note 25.

**21.3. Syndicated term loans repayable in foreign currency**

Repayable during	USD Million		₹ in Crore	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
2023-24	500.00	500.00	3,789.88	3,655.75
2024-25	300.00	300.00	2,273.93	2,193.45
2025-26	300.00	300.00	2,273.93	2,193.45
2026-27	450.00	-	3,410.89	-
2027-28	100.00	-	757.98	-
Total	1,650.00	1,100.00	12,506.61	8,042.65

The Corporation has availed Syndicated Loans from foreign Banks at fixed rate and/or 3 months floating LIBOR/Term SOFR plus spread (spread range: 90 to 139 basis point p.a.). These loans are taken for the period up to 5 years. Of the loan amount ₹ Nil Crore (31.03.2021: ₹ Nil Crore) is repayable within one year.

21.4. Other term loans

Repayable during	₹ in Crore		Range of Interest Rate as on	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
2022-23	725.00	-	Linked to 1	-
2023-24	725.00	-	Month T-Bill	-
2024-25	575.00	-	Rate	-
2025-26	2,500.00	-	Linked to 3	-
			Month T-Bill	
			Rate	
Total	4,525.00	-		-

Of the loan amount ₹ 725.00 Crore (31.03.2021: ₹ Nil Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note 25.

22. Other Financial Liabilities

	(₹ / Crore)	
	31.03.2022	31.03.2021
Other Liabilities	0.73	0.89
	0.73	0.89

23. Provisions

	(₹ / Crore)	
	31.03.2022	31.03.2021
Provision for employee benefits	44.97	31.68
	44.97	31.68

24. Other Non-Current Liabilities

	(₹ / Crore)	
	31.03.2022	31.03.2021
Capital Grant	0.58	0.74
Other liabilities	444.58	369.30
	445.16	370.04

25. Borrowings

	(₹ / Crore)	
	31.03.2022	31.03.2021
Loans repayable on demand		
Secured		
from banks		
Cash Credit (refer Note 11.2)	2,207.67	2,460.75
from other parties		
Triparty Repo Dealing System Loan (refer Note 12.1)	1,049.69	1,449.62
Un - Secured		
from banks		
Clean Loans	3,780.54	4,800.31
Short term loans	379.01	2,120.57
from other parties		
Commercial papers	799.08	3,988.12
Current maturities of Long term borrowings (refer Note 25.1)	3,749.94	725.00
	11,965.93	15,544.37

25.1. Includes loans repayable within one year: Loan from Oil Industry and Development Board ₹ 25.00 Crore (31.03.2021 : ₹ 725.00 Crore); Term Loans from Other Banks ₹ 725.00 Crore (31.03.2021 : ₹ Nil Crore) and Non Convertible Debentures ₹ 2,999.94 Crore (31.03.2021 : ₹ Nil Crore);

26. Trade Payables

	(₹ / Crore)			
Particulars	31.03.2022		31.03.2021	
	Undisputed	Disputed	Undisputed	Disputed
(i) MSME				
Unbilled	71.92	-	-	-
Not Due	327.44	-	130.81	-
Less than 1 year	2.10	-	0.32	-
1 to 2 years	-	-	-	-
2 to 3 years	-	-	-	-
More than 3 years	-	-	-	-
(ii) Others				
Unbilled	3,601.01	-	3,075.67	-
Not Due	22,364.50	6.03	12,798.53	4.84
Less than 1 year	69.43	0.81	456.43	0.81
1 to 2 years	0.47	0.81	1.05	0.81
2 to 3 years	-	0.81	2.82	0.81
More than 3 years	-	2.57	-	1.76
	26,436.87	11.03	16,465.63	9.03

27. Other Financial Liabilities

	(₹ / Crore)	
	31.03.2022	31.03.2021
Interest accrued but not due on loans	469.91	321.77
Unpaid Dividend (refer Note 27.1)	23.32	19.01
Derivative liability	185.31	1.14
Deposits from Dealers /Consumers/Suppliers (refer Note 27.2)	17,006.62	16,130.95
Liability towards Capital Expenditure:		
Outstanding dues of micro enterprises and small enterprises (refer Note 52)	644.36	492.08
Outstanding dues of creditors other than micro and small enterprises	3,041.23	2,199.23
Other Financial Deposits	13.19	10.32
Other liabilities	1,062.48	1,386.28
	22,446.42	20,560.78



- 27.1. Dues as at the end of the year for credit to Investor Education and Protection Fund is ₹ Nil Crore (31.03.2021: ₹ Nil Crore).
- 27.2. a) Includes deposits received towards Rajiv Gandhi Gramin LPG Vitruk Yojana ₹ 241.89 Crore (31.03.2021: ₹ 241.89 Crore) and Prime Minister Ujjavala Yojana of ₹ 3,362.33 Crore (31.03.2021: ₹ 3,015.69 Crore). These deposits have been either made by Government of India or created out of CSR fund.
- b) The liability is classified as current in accordance with Ind AS 1 as it is payable on demand. Considering past trends, it is expected that the payment towards the liability in the next 12 months would be insignificant.

28. Other Current Liabilities

	(₹ / Crore)	
	31.03.2022	31.03.2021
Revenue received in Advance	1,858.15	1,044.75
Capital Grant	0.06	0.23
Statutory Payables	4,448.26	4,530.56
Other Liabilities	119.91	110.09
	6,426.38	5,685.63

29. Provisions

	(₹ / Crore)	
	31.03.2022	31.03.2021
Provision for Employee Benefits	1,180.69	1,742.40
Provisions for probable obligations (refer Note 54)	1,654.81	1,422.46
	2,835.50	3,164.86

30. Current Tax Liabilities (Net)

	(₹ / Crore)	
	31.03.2022	31.03.2021
Provision for tax (net of advance tax) (refer Note 45)	267.43	351.72
	267.43	351.72

31. Gross Sale of Products

	(₹ / Crore)	
	2021-22	2020-21
Sale of Products	3,72,576.02	2,69,221.36
Recovery under Subsidy Schemes	65.58	21.50
	3,72,641.60	2,69,242.86

- 31.1. Net of discount of ₹ 2,757.47 Crore (2020-21: ₹ 2,199.63 Crore).
- 31.2. Includes Subsidy on PDS Kerosene from State Governments amounting to ₹ 65.58 Crore (2020-21: ₹ 31.30 Crore).
- 31.3. Disaggregation of revenue as required under Ind AS 115:

	(₹ / Crore)	
	2021-22	2020-21
Exports	7,245.30	3,054.58
Other than export	3,65,396.30	2,66,188.28
	3,72,641.60	2,69,242.86

- 31.4. The MoPNG, vide letter dated 30.04.2020 had conveyed to Oil Marketing Companies (OMCs) that a) In case, the Market Determined Price (MDP) is higher than the Effective Cost to Consumer (ECC), the difference shall be transferred to consumers account via Direct Benefit Transfer of LPG (DBTL) Scheme and b) In case, where MDP is less the ECC, the OMCs will retain the difference in a separate buffer account for future adjustment. However, as on March 31, 2022, the Corporation had a negative buffer of ₹ 2,642.33 Crore (after adjustment of uncompensated cost of ₹ 2,128.25 Crore) as the retail selling price was less than MDP and accordingly the revenue from the sale of LPG was reduced by this amount.

32. Other Operating Revenues

	(₹ / Crore)	
	2021-22	2020-21
Rent Recoveries	795.07	756.97
Miscellaneous Operating Income	460.07	326.49
	1,255.14	1,083.46

33. Other Income

	(₹ / Crore)	
	2021-22	2020-21
Interest Income on Financial Assets carried at amortized cost:		
On Deposits	4.64	13.18
On Staff Loans	36.15	38.12
On Customers' Accounts	400.70	292.58
Interest on Current Investments carried at fair value through Profit or Loss	370.90	379.94
Interest on other Financial Assets carried at amortized cost	191.70	265.38
Interest on Others	59.32	114.91
	1,063.41	1,104.11
Dividend Income from Joint Venture/ Associate Companies	503.84	301.31
Dividend Income from non-current equity instruments at FVOCI	28.76	13.64
Fair value gain on Derivative instruments carried at FVTPL	-	15.08
Gain on foreign currency transition and translation (net)	95.79	1,010.86
Fair value gain on Current Investments carried at FVTPL	-	72.90
Profit on Sale including write off of Property Plant & Equipments / Capital Work in Progress/ Assets classified as held for Sale/Disposal (net)	150.50	-
Reversal of Loss allowance on Doubtful debts/Receivables/loans net of provision of ₹ 42.19 Crore (2020-21: ₹ Nil Crore)	628.59	-
Miscellaneous Income	498.79	270.83
	1,906.27	1,684.62
	2,969.68	2,788.73

34. Cost of Materials Consumed

	(₹ / Crore)	
	2021-22	2020-21
Cost of Raw Materials Consumed	69,032.85	44,149.59
Packages Consumed	403.02	312.81
	69,435.87	44,462.40

35. Changes in Inventories of Finished Goods, Stock-in -Trade and Work-in-Progress (Increase)/ Decrease

	(₹ / Crore)	
	2021-22	2020-21
(A) Closing Stock:		
Work-in-progress	1,983.86	1,020.53
Finished Goods	9,640.93	8,660.01
Stock-in-trade	13,202.33	14,517.01
	24,827.12	24,197.55
(B) Opening Stock:		
Work-in-Progress	1,020.53	914.72
Finished Goods	8,660.01	5,994.32
Stock-in-Trade	14,517.01	8,755.55
	24,197.55	15,664.59
(B-A)	(629.57)	(8,532.96)

36. Employee Benefits Expense

	(₹ / Crore)	
	2021-22	2020-21
Salaries, Wages, Bonus, etc.	2,216.36	2,449.35
Contribution to Provident Fund (refer Note 67)	153.49	174.62
Pension, Gratuity and Other Employee Benefits	233.97	220.41
Employee Welfare Expenses	378.63	344.00
	2,982.45	3,188.38

**37. Finance costs**

(₹ / Crore)

	2021-22	2020-21
Interest (refer Note 37.1)	789.62	892.88
Exchange differences regarded as an adjustment to borrowing costs	179.15	7.38
Other borrowing costs	3.96	14.47
	972.73	914.73

37.1. Includes interest u/s 234B / 234C of Income Tax Act, 1961 for an amount ₹ 2.29 Crore (2020-21 : ₹ 57.03 Crore).

38. Other Expenses

(₹ / Crore)

	2021-22	2020-21
Transportation Expenses	7,311.04	6,401.44
Consumption of Stores, Spares and Chemicals	215.61	244.97
Power and Fuel	3,529.14	2,267.06
Less : Consumption of fuel out of own production	3,024.85	1,863.78
Power and fuel consumed (net)	504.29	403.28
Repairs and Maintenance - Buildings	72.16	40.75
Repairs and Maintenance - Plant and Machinery	1,239.90	1,087.38
Repairs and Maintenance - Other Assets	408.66	397.10
Insurance	240.18	130.32
Rates and Taxes	129.09	223.34
Irrecoverable Taxes and Other Levies	656.95	584.74
Rent	235.62	272.08
Travelling and Conveyance	186.50	140.98
Electricity and Water	631.70	821.76
Corporate Social Responsibility (CSR) Expenses	161.94	129.97
Fair value Loss on Current Investments carried at FVTPL	45.78	-
Impairment of Non - Current Investments	28.00	50.00
Loss allowance on Doubtful debts/Receivables/loans net of reversal of ₹ Nil Crore (2020-21: ₹ 1.36 Crore)	-	699.29
Loss on Sale including write off of Property Plant & Equipments / Capital Work in Progress/ Assets classified as held for Sale/Disposal (net)	-	51.30
Bad Debts written off	0.27	0.41
Security Charges	272.25	280.68
Advertisement and Publicity (refer Note 38.1)	569.92	127.15
Consultancy and Technical Services	76.03	76.48
Exploration cost	8.20	0.42
Payments to the auditors for:		
- Audit Fees	0.70	0.70
- Other Services	0.40	0.38
- Reimbursement of expenses	0.04	0.03
Sundry Expenses and Charges (Not otherwise classified)	1,513.72	1,293.94
	14,508.95	13,458.89

38.1. Includes ₹ 462.52 Crore incurred towards implementation of PMUY-2 Scheme, an initiative of Government of India to further the consumption of LPG, which targeted releasing of free LPG connections by Oil Marketing Companies during financial year 2021-22.

39. Fair Value Measurements:

39.A. Classification of Financial Assets and Financial Liabilities:

The following table shows the carrying amounts of Financial Assets and Financial Liabilities which are classified as Fair value through Profit or Loss (FVTPL), Fair Value through Other Comprehensive Income (FVTOCI) and Amortised Cost:

(₹ / Crore)

	31.03.2022			31.03.2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
- Investment in Equity Instruments*	0.00	637.76	-	0.00	328.14	-
- Investment in Preference Shares	17.80	-	-	13.82	-	-
- Investment in Debt Instruments	5,371.52	-	-	5,417.58	-	-
Loans						
- Employee Loans	-	-	429.18	-	-	420.77
- Other Loans	-	-	856.69	-	-	705.10
Trade receivables	-	-	6,331.80	-	-	6,856.31
Cash and cash equivalents	-	-	107.22	-	-	155.29
Bank balances other than cash & cash equivalents	-	-	23.74	-	-	81.91
Other Financial Assets						
- Amounts recoverable under subsidy schemes	-	-	4.30	-	-	6.79
- Others	-	-	1,659.74	-	-	1,906.68
Total	5,389.32	637.76	9,412.67	5,431.40	328.14	10,132.85
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	-	3,781.30	-	-	3,646.17
- Non Convertible Debentures	-	-	14,148.85	-	-	10,698.87
- Oil Industry Development Board	-	-	100.00	-	-	2,850.00
- Syndicated Loans from Foreign Banks						
- Fixed rate loan	-	-	2,248.96	-	-	2,163.24
- Variable rate loan	-	-	10,172.81	-	-	5,831.26
- Loan from Indian Banks	-	-	4,525.00	-	-	-
- Cash Credit	-	-	2,207.67	-	-	2,460.75
- Short term loans from banks	-	-	379.01	-	-	2,120.57
- Clean Loans	-	-	3,780.54	-	-	4,800.31
- Triparty Repo Dealing System Loan	-	-	1,049.69	-	-	1,449.62
- Commercial papers	-	-	799.08	-	-	3,988.12
Lease Liabilities	-	-	3,397.67	-	-	2,906.95
Trade Payables	-	-	26,447.90	-	-	16,474.66
Other Financial Liabilities						
- Deposits from Consumers	-	-	17,006.62	-	-	16,130.95
- Derivative liabilities (for hedging)	-	185.31	-	-	1.14	-
- Liability towards Capital Expenditure	-	-	3,685.59	-	-	2,691.31
- Others	-	-	1,569.63	-	-	1,738.27
Total	-	185.31	95,300.32	-	1.14	79,951.05

* Equity instruments classified as FVTOCI are designated as such upon initial recognition.

39.B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of the Financial Assets and Financial Liabilities that are recognised and measured at fair value and amortised cost. To provide an indication about the reliability of the inputs used in determining fair value, Corporation has classified its Financial Assets and Financial Liabilities into the three levels prescribed under the accounting standard. It does not include fair value information for

financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. An explanation of each level is provided under Significant Accounting Policies.

(₹ / Crore)

	31.03.2022			31.03.2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investments						
- Investment in Equity Instruments	637.76	-	-	328.14	-	-
- Investment in Debt Instruments	5,371.52	-	-	5,417.58	-	-
Loans						
- Employee Loans	-	429.18	-	-	420.77	-
- Other Loans	-	-	652.07	-	-	1,080.85
Other Financial Assets						
- Derivative Assets	-	-	-	-	-	-
Total	6,009.28	429.18	652.07	5,745.72	420.77	1,080.85
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	3,726.78	-	-	3,883.37	-
- Non Convertible Debentures	-	14,451.79	-	-	11,033.26	-
- Oil Industry Development Board Loan	-	100.31	-	-	2,942.15	-
- Syndicated Loan from Foreign Banks	-	-	-	-	-	-
- Fixed rate loan	-	2,102.57	-	-	2,215.01	-
Other Financial Liabilities						
- Derivative Liabilities (for hedging)	-	185.31	-	-	1.14	-
Total	-	20,566.76	-	-	20,074.93	-

39.C. Valuation techniques used to determine Fair Value

(₹ / Crore)

Type	Valuation technique
Derivative instruments - forward exchange contracts	Discounted cash flow i.e. fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract.
Derivative instruments - Commodity derivatives	Fair value of commodity derivative contracts is estimated by determining the difference between the contractual price and the current forward price for the residual maturity of the contract.
Derivative instruments - interest rate swap	Discounted cash flows i.e. Present value of expected receipt/payment.
Non-current financial assets and liabilities measured at amortised cost	Discounted cash flows. The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.

40. Financial risk management:

40.A. Risk management framework

The Corporation has established an Enterprise Risk Management (ERM) framework under the Corporation's Risk Management Charter and Policy 2007, which is embedded at the forefront of business strategies and focuses on the stronger, deeper and trust-based relationship with the stakeholders. It provides necessary support to the business to steer through the continuously evolving risk terrain through dynamic risk management approach that embraces disruption and enhances resiliency and trust.

The Corporation had reviewed the Risks arising out of the COVID-19 and as a risk mitigation measure, incorporated certain new risks and amended the existing risks suitably.

The Risk Management Steering Committee (RMSC) receives regular insights on risk exposures faced by the Corporation, thereby enabling it to provide inputs on prompt actions to be taken as well as monitor the actions taken. The Board is also updated regularly on the risk assessment and mitigation procedures.

Technology has been enabled to support the Enterprise Risk Management processes with a focus on optimizing risk exposures and automating risk reporting across the organization.

40.B. Corporation has identified financial risk and categorised them in three parts Viz. (i) Credit Risk, (ii) Liquidity Risk & (iii) Market Risk. Details regarding sources of risk in each such category and how Corporation manages the risk is explained in following notes:

40.B.1. Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet their contractual obligations. The risk arises principally from the Corporation's Receivables from Customers and so also from Investment Securities. The risk is managed through credit approval, establishing credit limits and continuous monitoring of the creditworthiness of Customers to whom the Corporation extends credit terms in the normal course of business.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Note: Refer Note 61 regarding loans given to consumers under Pradhan Mantri Ujjwala Yojna (PMUY).

Trade receivables

The Corporation's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The Corporation assesses impairment of Trade Receivable/Other Receivables both individually &/or grouping large numbers of Customers, homogenously and recognizes a loss allowance towards doubtful debts by estimating its expected losses. In this regard, an allowance matrix is used to measure the expected credit losses on trade receivables that are considered good. The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) on such trade receivables:

(₹ / Crore)

Past due	31.03.2022			31.03.2021		
	Gross carrying amount	Weighed average loss rate	Loss allowance	Gross carrying amount	Weighed average loss rate	Loss allowance
0-90 days	6,128.54	0.02%	1.16	6,336.66	0.05%	3.29
91-360 days	85.07	3.35%	2.85	352.21	1.73%	6.10
More than 360 days	290.48	57.93%	168.28	487.58	63.73%	310.75
	6,504.09		172.29	7,176.45		320.14

The movement in loss allowance on trade receivables and loans given to PMUY Consumers is as follows:

(₹ / Crore)

Particulars	Trade Receivables	Loans
Balance as on 01.04.2020	179.93	227.40
Add : Loss allowance recognised	140.58	390.67
Less : Amounts written off	0.37	-
Balance as on 31.03.2021	320.14	618.07
Add : Loss allowance recognised	18.97	-
Less : Loss allowance reversed	166.68	499.37
Less : Amounts written off	0.13	-
Balance as on 31.03.2022	172.29	118.70

The amounts written off relates to customers who have defaulted payments and are not expected to pay their outstanding balances, mainly due to economic circumstances.

Cash and Cash Equivalents

The Corporation held cash and cash equivalents of ₹ 107.22 Crore as on 31.03.2022 (31.03.2021 : ₹ 155.29 Crore). The cash and cash equivalents (other than cash on hand) are held with scheduled banks. The Corporation invests its surplus funds for short duration in fixed deposit with banks, Government of India T-bills and liquid Schemes of Mutual Funds, all of which carry no mark to market risks as the Corporation is exposed only to low credit risk.

Derivatives

The forex and interest rate derivatives are entered into with banks having an investment grade rating. Commodity derivatives are entered with reputed counterparties in the OTC (Over-the-Counter) Market. The exposure to counterparties are closely monitored and kept within the approved limits.

Investment in Debt Securities

Investment are made in government securities or bonds which do not carry any credit risk, being sovereign in nature.

40.B.2. Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due. Corporation has a strong focus on effective management of its liquidity to ensure that all business and financial commitments are met on time. The Corporation has adequate borrowing limits in place duly approved by its Shareholders and Board. Corporation's sources of liquidity includes operating cash flows, cash and cash equivalents, fund and non-fund based lines from banks and liquid investment portfolio. Corporation ensures that there is minimal concentration risk by diversifying its portfolio across instruments and counterparties. Cash and fund flow management is monitored daily in order to have smooth and continuous business operations.

(i) Financing arrangements

The Corporation has an adequate fund and non-fund based lines from various banks. The Corporation has sufficient borrowing limits in place duly, approved by its Shareholders and Board. Domestic and international credit rating from reputed credit rating agencies enables access of funds both from domestic as well as international market. Corporation's diversified source of funds and strong operating cash flow enables it to maintain requisite capital structure discipline. Corporation diversifies its capital structure with a mix of instruments and financing products across varying maturities and currencies. The financing products include syndicated loans, foreign currency bonds, TREPS loan, commercial paper, non-convertible debentures, buyer's credit loan, clean loan etc. Corporation taps domestic as well as foreign debt markets from time to time to ensure appropriate funding mix and diversification of geographies.

(ii) Maturities of financial liabilities

The amounts disclosed in the table below are the contractual undiscounted cash flow:

(₹ / Crore)

	Contractual cash flows					
	31.03.2022			31.03.2021		
	Upto 1 year	1-3 years	more than 3 years	Upto 1 year	1-3 years	more than 3 years
Non-derivative financial liabilities						
Borrowings and interest thereon	13,460.74	14,727.15	20,944.93	16,665.66	12,596.12	15,246.58
Trade payables	26,447.90	-	-	16,474.66	-	-
Other financial liabilities	21,791.20	-	0.73	20,237.87	-	0.89
Financial guarantee contracts *	-	598.80	-	-	588.58	-
Total	61,699.84	15,325.95	20,945.66	53,378.19	13,184.70	15,247.47
Derivative financial liabilities / (Assets)						
Interest rate swaps	-	-	-	-	-	-
Commodity contracts (net settled)	185.31	-	-	1.14	-	-
Forward exchange contracts (Gross settled)						
- Inflows	-	-	-	-	-	-
- Outflows	-	-	-	-	-	-
Total	185.31	-	-	1.14	-	-

*Outstanding loan of one of the step down subsidiary, guaranteed by the Corporation by way of providing 'Corporate Guarantee', payable in the event of default by the step down subsidiary on its repayment obligation. As of the Reporting date, there has been no default by the step down subsidiary and hence the Corporation does not have any present obligation in relation to such guarantee.

40.B.3. **Market Risk - Market Risk is further categorised in (i) Currency risk , (ii) Interest rate risk , (iii) Commodity risk & (iv) Price risk:**

40.B.3.1. **Currency risk**

The Corporation is exposed to currency risk, primarily on account of its repayment obligations of loans taken in foreign currency and imports, to be paid in foreign currency. The exposure is mainly denominated in U.S.Dollar. The Corporation has a Forex Risk Management Cell (FRMC) which actively review the forex and interest rate exposures. The Corporation uses generic derivative contracts to mitigate the risk of changes in foreign currency exchange rates in line with Corporation's forex risk management policy. The Corporation does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk - The currency profile of financial assets and financial liabilities is as below:

	31.03.2022		31.03.2021	
	INR	Exposure in USD (INR terms)	INR	Exposure in USD (INR terms)
Financial assets				
Non-current investments	655.56	-	341.96	-
Current investments	5,371.52	-	5,417.58	-
Long-term loans	1,040.89	-	1,001.24	-
Short-term loans	244.98	-	124.63	-
Trade receivables	5,042.45	1,289.35	6,321.02	535.29
Cash and cash equivalents	107.22	-	155.29	-
Bank balances other than cash & cash equivalents	23.74	-	81.91	-
Other non current financial assets	144.98	-	151.49	-
Other current financial assets	1,519.06	-	1,761.98	-
Exposure for assets - A	14,150.40	1,289.35	15,357.10	535.29
Financial liabilities				
Long term borrowings including current maturities	18,773.85	16,203.07	13,548.87	11,640.67
Non current lease liabilities	3,037.66	-	2,605.18	-
Short term borrowings	7,836.98	379.01	12,698.80	2,120.57
Current lease liabilities	360.01	-	301.77	-
Trade Payables	13,989.89	12,458.01	10,871.00	5,603.66
Other non current financial liabilities	0.73	-	0.89	-
Other current financial liabilities	22,352.41	94.01	20,529.12	31.66
	66,351.53	29,134.10	60,555.63	19,396.56
Less: Foreign currency forward exchange contracts	-	-	-	-
Exposure for liabilities - B	66,351.53	29,134.10	60,555.63	19,396.56
Net exposure (Assets - Liabilities)(A - B)	(52,201.13)	(27,844.75)	(45,198.53)	(18,861.27)

The following exchange rates have been applied during the year:

INR	31.03.2022	31.03.2021
USD 1	75.80	73.12

Sensitivity analysis

The table below shows sensitivity of open forex exposure of the Corporation to USD/INR currency movement. The impact of exposure to a currency movement in the range of 1% (+/-) change, increase denoting appreciation in USD Vs. INR & vice versa is explained through the said Table. The indicative 1% movement is directional and does not reflect management's forecast on currency movement.

Effect in INR	Impact on profit or (loss) due to % increase / Decrease in currency (₹/Crore)			
	31.03.2022		31.03.2021	
	Increase	Decrease	Increase	Decrease
1% movement				
USD	1% (278.45)	278.45	1% (188.61)	188.61

40.B.3.2 Interest rate risk

The Corporation has long-term foreign currency syndicated loans with floating rate of interest, which exposes the Corporation to cash flow interest rate risk. The borrowings at floating rate are denominated in USD. The Corporation manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under this, the Corporation agrees with other Parties to exchange at specified intervals (i.e. quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. The Corporation monitors the interest rate movement and manages the interest rate risk, based on the Corporation's Forex Risk Management Policy. The Corporation also has a Forex Risk Management Cell (FRMC) that actively reviews the forex and interest rate exposures. The Corporation does not use derivative financial instruments for trading or speculative purposes. The Corporation has exposure in the form of External Commercial Borrowings aggregating to USD 1250 million linked to LIBOR as at 31.03.2022. In March 2021, the Financial Conduct Authority (FCA), UK has confirmed that all LIBOR settings will either cease to be provided by any administrator or no longer be a representative in the following manner:

- Immediately after December 31, 2021, in the case of all sterling, Euro, Swiss franc and Japanese yen settings, and the 1-week and 2-month US dollar settings; and
- Immediately after June 30, 2023, in the case of the remaining US dollar settings.

In this context, the afore-mentioned exposure shall be migrated from LIBOR to an Alternative Reference Rate (ARR). The impact of such migration is not ascertainable at present.

The Corporation's borrowings which are contracted at fixed rate are carried at amortised cost. These are not affected due to interest rate risk as defined in Ind AS 107 as neither the carrying amount nor the future cash flows will fluctuate in the event of a change in market interest rates.

Interest rate risk exposure

The Corporation's interest rate risk arises mainly from borrowings. The profile of the Corporation's interest-bearing financial instruments at period end is as follows:

	Carrying amount (₹ / Crore)	
	31.03.2022	31.03.2021
Fixed-rate instruments		
Financial assets	5,496.01	5,516.21
Financial liabilities	28,116.09	32,057.08
Variable-rate instruments		
Financial assets	2,101.43	2,023.59
Financial liabilities	15,076.82	7,951.83

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25 basis points in interest rates at Reporting Date would have impacted profit or loss [increased / (decreased)] by the amounts shown below. The indicative 25 basis point (0.25%) movement is directional and does not reflect management forecast on interest rate movement. This analysis assumes that all other variables, in particular, foreign currency exchange rate remaining constant.

	Impact on Profit or (loss) (In ₹ Crore)			
	31.03.2022		31.03.2021	
	25 bp increase	25 bp decrease	25 bp increase	25 bp decrease
Floating rate borrowings	(37.26)	37.26	(16.81)	16.81
Cash flow sensitivity (net)	(37.26)	37.26	(16.81)	16.81

40.B.3.3. Commodity Risk

The Corporation's Profitability is exposed to the risk of fluctuation in prices of Crude Oil and Petroleum products in international markets. The Corporation monitors and reduces the impact of the volatility in International Oil prices based on approved Oil Price Risk Management Policy by entering into derivative contracts in the OTC market. The Corporation also has Oil Price Risk Management Committee (OPRMC) which actively reviews and monitors risk management principles, policies and risk management activities. Category-wise quantitative break-up of Commodity derivative contracts entered into by the Corporation which are Outstanding as at Balance Sheet date is given below

	Quantity (in Mn Barrels)	
	31.03.2022	31.03.2021
Crude/Product Swaps	5.40	0.80

The sensitivity to a reasonable possible change of 10% in the price of outstanding Commodity derivative/paper contracts as on Balance Sheet date would increase/decrease the profit or loss by amounts shown below. This 10% movement is directional and does not reflect any forecast of price movement.

	Effect on Profit before Tax (In ₹ Crore)			
	31.03.2022		31.03.2021	
	10% Increase	10% Decrease	10% Increase	10% Decrease
Commodity Derivative Contracts	(47.26)	47.26	(14.01)	11.56

Derivatives & Hedging

The Corporation enters into derivative contracts for hedging purpose, to mitigate the commodity price risk, on Highly probable forecast transactions as detailed above. The Corporation has applied Hedge Accounting on commodity derivative transactions entered subsequent to 01 January 2020 as per Ind AS 109 (Financial Instruments). Consequent to this a Mark to Market Debit amounting to ₹ 185.31 Crore (2020-21: ₹ 1.14 Crore) has been accounted in Other Comprehensive Income which will be recycled to Statement of Profit and Loss in subsequent period on settlement of respective contracts.

All these hedges are accounted for as Cash Flow Hedges.

Hedge Effectiveness

The Corporation has established a hedge ratio of 1:1 for the hedging relationship as the underlying risk of the commodity forward contracts are identical to the hedged risk component. Hedge item and the hedging instruments have economic relationship as the terms of the commodity forward contracts match with the terms of hedge items. Considering the economic relationship and characteristics of the hedging instrument being aligned to the hedged item, the fair value changes in the hedging instrument reasonably approximates the fair value changes in the hedged item (in absolute amounts).

Source of Hedge Ineffectiveness

The Corporation has identified the following sources of hedge ineffectiveness which are not expected to be material as at date:

- Counterparty Credit Risk impacting the fair value of the hedge instrument and hedge item.
- Difference in the timing of the cash flows of the hedged items and the hedge instruments
- Different indexes used to hedge risk of the hedged item.
- Changes to forecasted amounts of cash flows of hedged items and hedging instruments.

Disclosures of effects of Cash Flow Hedge Accounting

The Corporation has applied Hedge Accounting prospectively for the highly probable forecast transactions as stated above, entered after 01 January 2020. Consequently, disclosure is made only for the transactions designated for Hedge Accounting.

The Corporation is holding the following derivative contracts:

(₹ / Crore)

As at March 31, 2022	Maturities					Total
	Less than 1 Month	1-3 Months	3-6 Months	6-12 Months	More than 12 Months	
Commodity Forward Contracts						
Nominal Volume (Quantity in Mn Barrels)	0.53	1.05	1.28	2.55	-	5.40
Nominal amount (₹ / Crore)	46.48	92.96	111.04	222.08	-	472.56

(₹ / Crore)

As at March 31, 2021	Maturities					Total
	Less than 1 Month	1-3 Months	3-6 Months	6-12 Months	More than 12 Months	
Commodity Forward Contracts						
Nominal Volume (Quantity in Mn Barrels)	0.18	0.33	0.30	-	-	0.80
Nominal amount (₹ / Crore)	35.70	61.55	18.30	-	-	115.55

The Impact of Hedging Instruments in Balance sheet is as under

(₹ / Crore)

	Commodity forward contract- Margin Hedging	
	2021-22	2020-21
Nominal Amount	472.56	115.55
Carrying Amount	(185.31)	(1.14)
Line item in Balance sheet that include Hedge Instrument	Other Financial Assets/ Other Financial Liabilities	Other Financial Assets/ Other Financial Liabilities

The Impact of Cash flow Hedge in the statement of Profit and Loss and Other comprehensive Income (OCI)

(₹ / Crore)

	Highly Probable Forecast Transaction	
	2021-22	2020-21
Hedging Gain / (Loss) recognised in OCI*	(185.31)	(1.14)
Income tax on Above	46.64	0.29
Net amount recognised in Cash flow Hedge Reserve	(138.67)	(0.85)
Amount reclassified from Cash flow hedge reserve to Statement of Profit and Loss	(1.14)	(24.11)
Income tax on above	0.29	6.07
Line item in the Statement of Profit and Loss that includes the reclassification adjustment	Revenue/Purchases	Revenue/Purchases

* The corporation expects that the amount of Loss recognised in cash flow hedge reserve through Other comprehensive income (OCI) will be recovered in future period through gains in underlying transactions.

40.B.3.4. Price risk

The Corporation's exposure to equity investment has price risk. Such investments are designated at fair value through Other Comprehensive Income, as these investments are held for long-term strategic purposes.

Sensitivity

The table below summarises the impact of increase/decrease in price:

	Equity Instruments through OCI (In ₹ Crore)			
	31.03.2022		31.03.2021	
	5% Increase	5% Decrease	5% Increase	5% Decrease
Equity Investment in Oil India Limited	31.89	(31.89)	16.41	(16.41)

40.C.1. Offsetting

The financial instruments that are otherwise eligible for offset and other similar arrangements but are not offset, as at period end. The column 'net amount' shows the impact on the balance sheet if all set-off rights are exercised.

(₹ / Crore)

	Effect of offsetting on the Balance Sheet			Related amounts not offset	
	Gross amounts (A)	Gross amounts set off in the Balance Sheet (B)	Net amounts presented in the Balance Sheet (C) (A-B)	Amounts not Offset (D) (Other than (B))	Net Amount (E) (C-D)
As on March 31, 2022					
Financial assets					
Trade Receivables	10,109.67	(3,777.87)	6,331.80	-	6,331.80
Financial liabilities					
Trade Payables	30,225.77	(3,777.87)	26,447.90	-	26,447.90
Other Current Financial Liabilities	22,446.42	-	22,446.42	-	22,446.42
As on March 31, 2021					
Financial assets					
Trade Receivables	8,046.88	(1,190.57)	6,856.31	-	6,856.31
Financial liabilities					
Trade Payables	17,665.23	(1,190.57)	16,474.66	-	16,474.66
Other Current Financial Liabilities	20,560.78	-	20,560.78	-	20,560.78

41. Revenue from Contracts with Customers

The revenue is recognised only upon satisfaction of performance obligation and whenever there are remaining performance obligations, the same is recognised as revenue, a) in case of amount received in advance from a Customer, when the product is delivered to the Customer, b) in case of loyalty points earned by Customer, when such points are redeemed / expire. Such remaining obligations, termed as Contract Liability under the IND-AS 115 'Revenue Recognition' at period end together with Trade Receivable is as under:

(₹ / Crore)

	31.03.2022	31.03.2021
Trade Receivables	6,331.80	6,856.31
Liabilities under contractual obligation	1,858.15	1,044.75

During the financial year, the Corporation recognized revenue of ₹ 856.32 Crore (2020-21: ₹ 801.78 Crore) arising from opening unearned revenue.

42. Leases

The Corporation enters into lease arrangements for underlying assets such as land, office premises, staff quarters. Upon 1st time adoption of Ind AS 116 in financial year 2019-20, the Corporation had chosen modified retrospective approach with exercising of options to use certain practical expedients. 'Lease Liability' and 'Right-of-use Assets', wherever the term of lease is in excess of 12 months have been appropriately disclosed, unless the underlying Asset is of low value.

A. Maturity analysis of lease liabilities

The amounts disclosed in the table below are the contractual undiscounted cash flow:

	(₹ / Crore)	
	31.03.2022	31.03.2021
Less than one year	371.46	314.49
Between one and three years	724.55	616.00
More than three years	6,174.92	5,664.00
	7,270.93	6,594.49

B. Other Disclosures

	(₹ / Crore)	
Particulars	31.03.2022	31.03.2021
a) Expense relating to short-term leases	987.57	846.16
b) Expense relating to leases of low-value assets *	5.85	5.21
c) Expense relating to variable lease payments not included in the measurement of lease liabilities	5,547.24	4,826.02
d) income from sub-leasing of 'right-of-use'	55.16	45.15
e) Interest expense on lease liabilities	271.75	245.43
f) Total cash outflow for leases	375.00	310.51

* Lease of items such as Personal Computers, Laptops, Printers, Photocopiers, Scanners etc., small items of furniture & fixtures and Other Office Equipment including Digital devices and Point of Sales Machines provided at customer touch points are treated as low-value leases under Ind-AS 116, Leases.

C. The following are the carrying values of Right-of-use ("ROU") assets

	(₹ / Crore)			
	Class of Underlying Asset			
Particulars	Land	Buildings	Plant & Equipment	Total
Gross Block				
As on 01.04.2021	3,913.82	118.07	25.25	4,057.14
Additions	1,002.18	13.42	-	1,015.60
Deductions/ Reclassifications	228.33	6.07	-	234.40
As on 31.03.2022	4,687.67	125.42	25.25	4,838.34
Depreciation/ Amortisation				
As on 01.04.2021	342.55	27.29	2.95	372.79
For the year	216.88	27.81	5.05	249.74
Deductions/ Reclassifications	47.53	3.80	-	51.33
As on 31.03.2022	511.90	51.30	8.00	571.20
Net Block as on 01.04.2021	3,571.27	90.78	22.30	3,684.35
Net Block as on 31.03.2022	4,175.77	74.12	17.25	4,267.14

43. Related Party Disclosure

A. Name of the Related Party and the nature of the relationship:

1. Holding Company, Subsidiaries, Jointly controlled entities and Associates (Government related entities, except otherwise mentioned):

(a) Holding Company

- i. Oil & Natural Gas Corporation Limited

(b) Subsidiaries

- i. HPCL Biofuels Limited
- ii. Prize Petroleum Company Limited (PPCL)
- iii. Prize Petroleum International Pte. Limited (a wholly owned subsidiary of PPCL)
- iv. HPCL Middle East FZCO
- v. HPCL LNG Limited (Formerly known as HPCL Shapoorji Energy Private Limited) (refer Note 6.2)

(c) Jointly controlled entities

- i. HPCL Rajasthan Refinery Limited
- ii. Bhagyanagar Gas Limited
- iii. Petronet MHB Limited
- iv. Mumbai Aviation Fuel Farm Facility Private Limited
- v. Godavari Gas Private Limited
- vi. Aavantika Gas Limited
- vii. Ratnagiri Refinery & Petrochemicals Limited
- viii. Ujjwala plus foundation
- ix. HPOIL Gas Private Limited
- x. IHB Limited

(d) Jointly controlled entities (Other than Government related entities)

- i. HPCL-Mittal Energy Limited
- ii. Hindustan Colas Private Limited
- iii. South Asia LPG Company Private Limited
- iv. Petronet India Limited (in process of voluntary winding up w.e.f. 30th August 2018)

(e) Associates

- i. GSPL India Gasnet Limited
- ii. GSPL India Transco Limited
- iii. Mangalore Refinery and Petrochemicals Limited

2. Key Management Personnel

- i. Shri Mukesh Kumar Surana, Chairman and Managing Director
- ii. Shri Pushp Kumar Joshi, Director - Human Resources
- iii. Shri Vinod S. Shenoy, Director - Refineries
- iv. Shri Rakesh Misri, Director - Marketing
- v. Shri Rajneesh Narang, Chief Finance Officer (CFO) : From 01st July 2021 & Director-Finance : From 22nd March 2022
- vi. Shri R. Kesavan, Director - Finance & CFO (Upto 30th June 2021)
- vii. Shri V. Murali, Company Secretary (CS)

**3. Independent Directors**

- i. Shri G. Rajendran Pillai
- ii. Smt. Vimla Pradhan (From 16th November 2021)
- iii. Shri Bechan Lal (From 16th November 2021)
- iv. Shri Vivekananda Biswal (From 16th November 2021)
- v. Shri Ramdarshan Singh Pal (From 16th November 2021)
- vi. Dr. Nagaraja Bhalki (From 30th December 2021)
- vii. Shri Amar Sinha (Upto 20th September 2020)
- viii. Shri Siraj Hussain (upto 20th September 2020)

4. Government Nominee Directors

- i. Shri Sunil Kumar
- ii. Dr. Alka Mittal (From 17th June 2021 to 04th January 2022)
- iii. Shri Subhash Kumar (Upto 19th May 2021)

5. Post-Employment Benefit Plans

- i. Hindustan Petroleum Corp Limited Provident Fund
- ii. Hindustan Petroleum Corp Ltd Employees Post Retirement Med Benefit Fund
- iii. Hindustan Petroleum Corp Ltd Employees Group Gratuity Assurance Scheme
- iv. Hindustan Petroleum Corp Ltd Employees Superannuation Benefit Fund Scheme

Note: The disclosure requirements in respect of transactions with 'Government related entities' are exempted under Ind AS 24. Related Party Disclosures for the Parties named in 1(d) above are furnished as under:

B. Details of transactions with related parties:

		(₹ / Crore)	
No	Nature of Transactions	2021-22	2020-21
(i)	Sale of goods		
	HPCL-Mittal Energy Limited	81.07	35.73
	Hindustan Colas Private Limited	969.52	691.50
	South Asia LPG Company Private Limited	0.39	0.22
		1,050.98	727.45
(ii)	Purchase of goods		
	HPCL-Mittal Energy Limited	53,136.18	22,544.93
	Hindustan Colas Private Limited	405.23	240.85
		53,541.41	22,785.78
(iii)	Dividend income		
	HPCL-Mittal Energy Limited	300.04	-
	Hindustan Colas Private Limited	80.33	59.06
	South Asia LPG Company Private Limited	75.00	75.00
		455.37	134.06
(iv)	Services provided (Manpower Supply Service)		
	HPCL-Mittal Energy Limited	-	0.36
	Hindustan Colas Private Limited	3.46	2.53
	South Asia LPG Company Private Limited	0.87	0.64
	HPCL LNG Limited	NA	0.72
		4.33	4.25
(v)	Lease rental income		
	HPCL-Mittal Energy Limited	1.20	1.20
	Hindustan Colas Private Limited	0.96	0.51
	South Asia LPG Company Private Limited	1.27	1.71
		3.43	3.42
(vi)	Other Income (Services provided)		
	HPCL-Mittal Energy Limited	29.95	16.65
	Hindustan Colas Private Limited	5.79	3.96
	South Asia LPG Company Private Limited	10.12	-
		45.86	20.61

		(₹ / Crore)	
No	Nature of Transactions	2021-22	2020-21
(vii)	Others Expenses (Services availed)		
	HPCL-Mittal Energy Limited	18.97	16.06
	Hindustan Colas Private Limited	1.85	1.01
	South Asia LPG Company Private Limited	100.24	92.27
		121.06	109.34
Note: The above figures do not include taxes.			
(viii)	Investment in equity shares		
	HPCL LNG Limited	NA	740.00
		31.03.2022	31.03.2021
(ix)	Receivables		
	HPCL-Mittal Energy Limited	6.66	5.10
	South Asia LPG Company Private Limited	1.41	0.06
	Hindustan Colas Private Limited	36.24	-
	HPCL LNG Limited	NA	0.79
		44.31	5.95
(x)	Payables		
	HPCL-Mittal Energy Limited	4,502.47	2,528.52
	Hindustan Colas Private Limited	86.37	29.97
	South Asia LPG Company Private Limited	10.19	9.97
		4,599.03	2,568.46

(xi) Transactions with Post Employment Benefit Plans managed through separate trust during the year ended March 31, 2022

(₹ / Crore)				
Name of the Trust	Post-Employment Benefit Plan	Contribution by Employer	Others*	Outstanding Receivable / (Payable)
Hindustan Petroleum Corp Limited Provident Fund	Provident Fund	161.93	(53.13)	13.93
Hindustan Petroleum Corp Ltd Employees Post Retirement Med Benefit Fund	Post Retirement Medical Benefit	165.81	-	(140.99)
Hindustan Petroleum Corp Ltd Employees Group Gratuity Assurance Scheme	Gratuity	50.50	-	(18.38)
Hindustan Petroleum Corp Ltd Employees Superannuation Benefit Fund Scheme	Superannuation benefit	115.66	34.23	-

Transactions with Post Employment Benefit Plans managed through separate trust during the year ended March 31, 2021

(₹ / Crore)				
Name of the Trust	Post-Employment Benefit Plan	Contribution by Employer	Others*	Outstanding Receivable / (Payable)
Hindustan Petroleum Corp Limited Provident Fund	Provident Fund	167.65	243.00	0.00
Hindustan Petroleum Corp Ltd Employees Post Retirement Med Benefit Fund	Post Retirement Medical Benefit	216.65	-	107.69
Hindustan Petroleum Corp Ltd Employees Group Gratuity Assurance Scheme	Gratuity	85.88	0.07	50.50
Hindustan Petroleum Corp Ltd Employees Superannuation Benefit Fund Scheme	Superannuation benefit	132.81	93.44	-

* Includes advance to PF Trust in FY 2020-21, partial return of it in FY 2021-22, credit towards LIC policy charges, payment to the death beneficiaries reimbursed through the Trust.

C. Transactions with other Government-Controlled Entities

The Corporation is a Government related entity, engaged in the business of refining of crude oil and marketing of petroleum products. The Corporation also deals on regular basis with entities directly or indirectly controlled by the Central / State Governments through its Government authorities, agencies, affiliations and other organizations (collectively referred as "Government related entities").

Apart from transactions with Corporation's group Companies, the Corporation has transactions with other Government related entities, including but not limited to the followings:

- sale and purchase of products;
- rendering and receiving services;
- leaseing of assets;
- depositing and borrowing money; and
- use of public utilities

These transactions are conducted in the ordinary course of the Corporation's business on terms comparable to those with other entities that are not Government related.

D. Remuneration paid to Key Management Personnel (KMP)*

(₹ / Crore)

No.	Description	2021-22	2020-21
(i)	Short-term Employee Benefits	4.97	3.12
(ii)	Post-Employment Benefits	0.76	0.35
(iii)	Other long-term employee Benefits	0.92	0.23
		6.65	3.70

* Remuneration to KMP has been considered from / to the date from which they became / ceased to be KMP.

E. Amount due from Key Management Personnel

(₹ / Crore)

No.	Description	2021-22	2020-21
(i)	Shri Mukesh Kumar Surana	-	0.09
(ii)	Shri Vinod S Shenoy	0.03	0.05
(iii)	Shri Rakesh Misri	-	0.07
(iv)	Shri Rajneesh Narang	0.01	-
(v)	Shri V. Murali	0.18	0.19
		0.22	0.40

F. Sitting Fee paid to Non-Executive Directors during the year ended March 31, 2022

(₹ / Crore)

Details of Meeting	Shri G. Rajendran Pillai	Smt. Vimla Pradhan	Shri Bechan Lal	Shri Vivekananda Biswal	Shri Ramdarshan Singh Pal	Dr. Nagaraja Bhalki
Board	0.05	0.02	0.02	0.02	0.02	0.02
Audit Committee	0.02	-	0.01	0.01	-	-
Stakeholders Relationship Committee	0.01	-	-	-	-	-
Nomination & Remuneration Committee	0.00	-	-	-	-	-
CSR & Sustainability Development Committee	0.02	-	-	-	-	-
Investment Committee	0.00	-	-	0.00	-	0.00
Independent Directors Meeting	0.00	0.00	0.00	0.00	0.00	0.00
Risk Management Committee	0.01	-	-	-	-	-
Total Sitting Fees	0.11	0.02	0.03	0.03	0.02	0.02

Sitting Fee paid to Non-Executive Directors during the year ended March 31, 2021

(₹ / Crore)

Details of Meeting	Shri G. Rajendran Pillai	Shri Amar Sinha	Shri Siraj Hussain
Board	0.04	0.02	0.02
Audit Committee	0.01	0.02	0.02
Stakeholders Relationship Committee	0.00	-	-
Nomination & Remuneration Committee	0.00	-	-
CSR & Sustainability Development Committee	0.01	0.00	-
Investment Committee	-	0.01	0.01
Independent Directors Meeting	0.00	-	-
Total Sitting Fees	0.06	0.05	0.05

44. Disclosure as required by Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ / Crore)

No	Particulars	Balance as on		Maximum amount outstanding during the year	
		31.03.2022	31.03.2021	2021-22	2020-21
(a)	Loans and advances in the nature of loans to subsidiary Companies (by name and amount):				
	Inter Corporate Loan to HPCL – Biofuels Limited	225.00	165.00	225.00	261.00
(b)	Loans and advances in the nature of loans to joint ventures (by name and amount)	-	-	-	-
(c)	Loans and advances in the nature of loans to firms/ companies in which directors are interested	-	-	-	-
(d)	Investment by the loanee in the shares of HPCL and its subsidiary company, when the Company has made a loan or advance in the nature of loan	-	-	-	-

45. Tax expense**(a) Amount recognised in Statement of Profit and Loss**

(₹ / Crore)

	2021-22	2020-21
Current tax expense		
Current year	1,510.00	3,569.56
Changes in estimates relating to prior years(refer Note 45(e))	(202.46)	(0.42)
Deferred tax expense		
Origination and reversal of temporary differences	498.09	(3.28)
Changes in estimates relating to prior years(refer Note 45(e))	15.45	17.05
Tax expense recognised	1,821.07	3,582.91

**(b) Amount recognised in Other Comprehensive Income**

(₹ / Crore)

	2021-22			2020-21		
	Before tax	Tax expense/(benefit)	Net of tax	Before tax	Tax expense/(benefit)	Net of tax
Items that will not be reclassified to profit or loss:						
Re-measurement of the defined benefit plans	173.12	43.57	129.55	(123.25)	(31.02)	(92.23)
Items that will be reclassified to profit or loss:						
Effective Portion of Gains/(loss) in a Cash Flow Hedge	(185.31)	(46.64)	(138.67)	(1.14)	(0.29)	(0.85)

(c) Reconciliation of effective tax rate

	31.03.2022		31.03.2021	
	%	(₹ /Crore)	%	(₹ /Crore)
Profit before tax		8,203.70		14,246.79
Tax as per Corporate Tax Rate	25.168%	2,064.71	25.168%	3,585.63
Tax effect of:				
Non-deductible tax expenses	0.934%	76.63	0.340%	48.37
Tax-exempt income	(1.634%)	(134.04)	(0.553%)	(78.73)
Interest expense u/s 234B/C not deductible for tax purposes	0.007%	0.58	0.077%	11.01
Deduction for research and development expenditure	0.000%	-	0.000%	-
Adjustments recognised in current year in relation to the current tax of prior years	(2.280%)	(187.02)	0.117%	16.63
Others	0.003%	0.21	0.000%	-
Income Tax Expense*	22.198%	1,821.07	25.149%	3,582.91

* Includes tax effect of ₹ 53.95 Crore (2020-21: ₹ Nil Crore) on depreciation of Right of Way considered allowable during the year.

(d) Movement in deferred tax balances

(₹ / Crore)

	Net balance 01.04.2021	Recognised in		Net balance 31.03.2022
		profit or loss	OCI	
Deferred tax Asset				
Provision for Employee Benefits	145.17	25.31	-	170.48
Provision for Doubtful Debts & Receivables	351.04	(158.21)	-	192.83
Disallowance u/s 43B	16.34	33.38	-	49.72
Others	190.30	90.89	46.35	327.54
	702.85	(8.64)	46.35	740.57
Deferred Tax Liabilities				
Property, plant and equipment	6,180.09	512.51	-	6,692.60
Current investments	33.85	(7.61)	-	26.24
Others	-	-	-	-
	6,213.94	504.90	-	6,718.84
Deferred Tax (assets) / Liabilities	5,511.09	513.53	(46.35)	5,978.27

	Net balance 01.04.2020	Recognised in profit or loss	OCI	Net balance 31.03.2021
(₹ / Crore)				
Deferred tax Asset				
Provision for Employee Benefits	134.75	10.42	-	145.17
Provision for Doubtful Debts & Receivables	175.04	176.00	-	351.04
Disallowance u/s 43B	16.14	0.20	-	16.34
Others	137.42	58.66	(5.78)	190.30
	463.35	245.28	(5.78)	702.85
Deferred Tax Liabilities				
Property, plant and equipment	5,909.13	270.96	-	6,180.09
Current investments	15.55	18.30	-	33.85
Others	30.20	(30.20)	-	-
	5,954.88	259.06	-	6,213.94
Deferred Tax (assets) / Liabilities	5,491.53	13.78	5.78	5,511.09

- (e) Short or (excess) provision for tax of earlier years, for the year ended March 31, 2022: Includes ₹ (180.18) Crore reversed during the year, pursuant to the decision for non-participation under Direct Tax Vivad se Vishwas Act, 2020, in respect of few assessment years.

Short or (excess) provision for tax of earlier years, for the year ended March 31, 2021: Includes ₹ 11.79 Crore of additional provision during 2020-21, (aggregating to a cumulative provision of ₹ 776.66 Crore) pursuant to the decision for participation under Direct Tax Vivad se Vishwas Act, 2020.

46. Earnings per share (EPS):

Basic EPS is derived by way of dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year, whereas Diluted EPS factors the effects of all dilutive potential ordinary shares.

	2021-22	2020-21
(₹ / Crore)		
Profit attributable to equity holders for basic and diluted earnings per share (A)	6,382.63	10,663.88
Weighted average number of shares for basic and diluted earnings per shares (B) (refer Note 19 H (ii))	1,42,01,73,385	1,51,10,57,676
Basic and Diluted Earnings per Equity Share (₹) (A/B)	44.94	70.57

47. Capital management

The Corporation's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Corporation's debt to equity ratio, used for monitoring capital management is 1.12 (31.03.2021: 1.11) (refer Note 71).

48. Dividends

	31.03.2022	31.03.2021
(₹ / Crore)		
(i) Dividends paid during the year		
Final dividend per fully paid share for the year ended 31.03.2021: ₹ 22.75 (31.03.2020: ₹ 9.75)	3,227.20	1,485.73
(ii) Dividends to be paid, not recognised at the end of the reporting period		
The Board have recommended a final dividend of ₹ 14.00 per fully paid equity share (31.03.2021 : ₹ 22.75), subject to the approval of shareholders in the ensuing annual general meeting.	1,985.97	3,227.20



49. In compliance of Ind AS-27 'Separate Financial Statements', the required information is as under:

Name of Company	Country of Incorporation	Nature of Investments	Percentage of ownership interest as on	
			31.03.2022	31.03.2021
HPCL - Biofuels Limited	India	Subsidiary	100.00	100.00
Prize Petroleum Company Limited	India	Subsidiary	100.00	100.00
HPCL Middle East FZCO	Dubai	Subsidiary	100.00	100.00
HPCL LNG Limited (Formerly known as HPCL Shapoorji Energy Private Limited)	India	Subsidiary	100.00	100.00
(Converted into a Public Limited company effective September 10, 2021)				
HPCL Rajasthan Refinery Limited	India	Joint Venture	74.00	74.00
Hindustan Colas Private Limited	India	Joint Venture	50.00	50.00
South Asia LPG Company Private Limited	India	Joint Venture	50.00	50.00
HPCL-Mittal Energy Limited	India	Joint Venture	48.99	48.99
Aavantika Gas Limited	India	Joint Venture	49.99	49.99
Petronet MHB Limited	India	Joint Venture	50.00	50.00
Godavari Gas Private Limited	India	Joint Venture	26.00	26.00
Mumbai Aviation Fuel Farm Facility Private Limited	India	Joint Venture	25.00	25.00
Bhagyanagar Gas Limited*	India	Joint Venture	48.73	48.73
Petronet India Limited	India	Joint Venture	16.00	16.00
Ratnagiri Refinery & Petrochemicals Limited	India	Joint Venture	25.00	25.00
HPOIL Gas Private Limited	India	Joint Venture	50.00	50.00
IHB Limited	India	Joint Venture	25.00	25.00
(Converted into a Public Limited company effective April 06, 2021)				
Mangalore Refinery and Petrochemicals Limited	India	Associate	16.96	16.96
GSPL India Transco Limited	India	Associate	11.00	11.00
GSPL India Gasnet Limited	India	Associate	11.00	11.00

* As of 31st March 2014, Bhagyanagar Gas Limited (BGL) had a paid up equity capital of ₹ 5 lakhs, in which HPCL and GAIL were holding 24.99% each and the balance 50.02% of shares were held by Kakinada Seaports Ltd (KSPL) on warehousing basis. In addition, HPCL and GAIL had paid ₹ 22.49 Crore each as Advance against Equity / Share application money (totaling to ₹ 44.98 Crore). On 20th August 2014, BGL allotted 2,24,87,500 shares on preferential basis to each of HPCL and GAIL towards the money paid earlier. Accordingly, the Corporation's shareholding in BGL had increased to 48.73%. KSPL challenged this in the Company Law Board (CLB), Chennai Bench which dismissed it on 14th September 2014. Against this, KSPL moved the High Court, Telangana, which did not stay the dismissal order of CLB. Pending adjudication of the appeal by KSPL before the High Court, the shareholding was considered at 24.99% till 31st March 2020. However, taking all the facts into consideration, including receipt of dividend on the entire stake of 48.73% during financial year 2020-21 and the Articles of Associations of BGL, the shareholding is being considered as at 48.73%, effective financial year 2020-21.

Ujjwala Plus Foundation, a joint venture of Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) was incorporated on 21st July 2017 as a not for profit Private Company Limited by Guarantee (Without Share Capital) under Section 8 of the Companies Act 2013.

50. The Corporation has entered into production sharing Oil & Gas exploration contracts in India in consortium with other body corporates except for one block (Cluster-7) which is a service contract. The details are as under:

Name of the Block	Participating Interest of HPCL in %	
	31.03.2022	31.03.2021
In India		
Under NELP IV		
KK- DWN-2002/2	20.00	20.00
KK- DWN-2002/3	20.00	20.00
CB- ONN-2002/3	15.00	15.00
Under NELP V		
AA-ONN-2003/3	15.00	15.00
Under NELP VI		
CY-DWN-2004/1	10.00	10.00
CY-DWN-2004/2	10.00	10.00
CY-DWN-2004/3	10.00	10.00

Name of the Block	Participating Interest of HPCL in %	
	31.03.2022	31.03.2021
CY-DWN-2004/4	10.00	10.00
CY-PR-DWN-2004/1	10.00	10.00
CY-PR-DWN-2004/2	10.00	10.00
KG-DWN-2004/6	10.00	10.00
MB-OSN-2004/1	20.00	20.00
MB-OSN-2004/2	20.00	20.00
RJ-ONN-2004/1	22.22	22.22
RJ-ONN-2004/3	15.00	15.00
Under NELP IX		
MB-OSN-2010/2	30.00	30.00
Cluster - 7	60.00	60.00

- (i) The block CB-ONN-2002/3 was awarded under NELP IV bidding round and the production sharing contract was signed on 06.02.2004. The exploration Minimum Work Program has been completed. Production from SE#3/4 wells of the Block is in progress, which had started during FY 2017-18. The share of the assets, liabilities, income and expenditure is considered based on the Management certified financials for the FY 2021-22.
- (ii) In respect of Cluster - 7, which is terminated and the matter is under litigation (refer Note 53.1). The remaining blocks are in the process of relinquishment/ under relinquishment and the share of the assets, liabilities, income and expenditure, if any, is considered based on information received towards these blocks.

51. During the financial year 2021-22, Corporation has spent ₹ 126.06 Crore (2020-21: ₹ 156.35 Crore) towards Corporate Social Responsibility (CSR) as against the approved amount to be spent of ₹ 135.57 Crore (2020-21: ₹ 129.97 Crore):

		(₹ / Crore)	
No.	Head of Expenses	2021-22	2020-21
1	Promoting Education	16.56	10.10
2	Promoting Health Care	84.59	130.51
3	Empowerment of Socially and Economically Backward groups	3.90	6.56
4	Promotion of Nationally recognized and Para-Olympic Sports	0.09	-
5	Imparting Employment by Enhancing Vocation Skills	4.00	2.50
6	Swachh Bharat Abhiyaan	3.28	3.77
7	Environment Sustainability	8.00	-
8	Rural Development	0.75	-
9	Others	4.89	2.91
		126.06	156.35

Amount spent during the financial year 2021-22 on:

		(₹ / Crore)		
No.	Details	In cash	Yet to be paid in cash	Total
(i)	Construction/Acquisition of assets controlled by the Corporation	-	-	-
(ii)	Purpose other than (i) above	123.58	2.48	126.06

Amount spent during the financial year 2020-21 on:

		(₹ / Crore)		
No.	Details	In cash	Yet to be paid in cash	Total
(i)	Construction/Acquisition of assets controlled by the Corporation	-	-	-
(ii)	Purpose other than (i) above	155.02	1.33	156.35

Excess / Short amount spent:

(₹ / Crore)

Particulars	2021-22	2020-21
Gross amount required to be spent by the Corporation during the year	161.86	129.97
Amount set off from excess spent during previous year	(26.38)	-
Surplus arising out of CSR projects	-	-
Unspent CSR expenditure carried forward from previous year	-	-
Total CSR obligation for the year	135.48	129.97
Amount allocated for expenditure during the year*	135.57	156.35
Amount spent during the year	126.06	156.35
Amount available for set off in succeeding years	-	26.38
Provision created for shortfall at the end of the year*	9.51	-

* The shortfall is mainly on account of delay in completing the ongoing projects as per timelines, due to restrictions imposed on account of COVID-19 pandemic. In compliance with statutory provisions, the amount of shortfall has been transferred to UCSRA (Unspent CSR Account) on April 26, 2022 and would be spent in accordance with the applicable CSR Rules. In terms of the statutory obligation, while the shortfall is ₹ 9.42 Crore, by virtue of a higher transfer of amount to UCSRA at ₹ 9.51 Crore and the Corporation not intending to carry-forward the excess to the subsequent financial year, the shortfall is treated as though ₹ 9.51 Crore for the purpose of this disclosure.

52. To the extent Micro and Small Enterprises have been identified, the outstanding balance, including interest thereon, if any, as at balance sheet date is disclosed on which Auditors have relied upon:

(₹ / Crore)

Particulars	31.03.2022		31.03.2021	
	Liability towards Capital Expenditure	Trade Payables	Liability towards Capital Expenditure	Trade Payables
(a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:				
- Principal	644.36	401.46	492.08	131.13
- Interest	-	-	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:				
- Principal	-	-	-	-
- Interest	-	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

53. Contingent Liabilities and Commitments:*

	(₹ / Crore)	
	31.03.2022	31.03.2021
I. Contingent Liabilities		
A. Disputed demands / claims subject to appeals / representations filed by the Corporation		
i. Sales Tax/Octroi	1,684.67	1,670.83
ii. Excise/Customs	192.75	264.14
iii. Land Rentals & License Fees	293.96	238.92
iv. Employee Benefits/Demands (to the extent quantifiable)	57.28	52.44
v. Others	100.39	94.52
	2,329.05	2,320.85
B. Disputed demands / claims subject to appeals / representations filed against the Corporation		
i. Sales Tax/Octroi	0.77	0.77
ii. Excise / customs	2.83	-
iii. Employee Benefits/Demands (to the extent quantifiable)	93.94	338.84
iv. Claims against the Corporation not acknowledged as Debts (refer note 53.1)	522.61	396.46
v. Others	210.42	211.86
	830.57	947.93

* Contingent Liabilities considered as 'remote' as per Ind AS 37 are not included.

	(₹ / Crore)	
	31.03.2022	31.03.2021
II. Guarantees given to Others	1,236.59	1,896.52

53.1 The Corporation with a Participating Interest (PI) of 60% along with Prize Petroleum Company Limited (PPCL), having a PI of 10% and M3energy Sdn. Bhd (M/s M3energy) having a PI of 30% were awarded service contract in March, 2006 for development of ONGC's offshore marginal oilfields of cluster-7. PPCL was the executing contractor. Parties provided necessary Bank Guarantees to ONGC. Since M/s M3energy could not meet their contractual obligations, the contract was terminated by ONGC and Bank guarantees were forfeited. HPCL and PPCL demanded the refund of monies forfeited towards encashment of Bank Guarantee along with other claims from M/s M3energy. A counter claim of USD 36.51 Million was made by M3energy on termination of such service contract. The matter was referred to Arbitration.

The Arbitral Tribunal passed 3 Awards (09.01.2014, 27.09.2017, 15.06.2018 respectively), all were in favour of the Corporation and PPCL. These Orders were to the effect that M3energy had committed breach of the contract and hence their counter claims were disallowed and that the Corporation and PPCL are entitled for damages with interest and costs of arbitration to be borne by M3energy. All the 3 Awards were challenged by M/s M3energy before the Bombay High Court. However, there was no stay granted by Bombay High Court, hence, HPCL/ PPCL filed applications for (a) Mareva Injunction and (b) Enforcement of the Award before the Courts in Malaysia since M/s M3energy is located in Malaysia.

By Orders dated 10.01.2019 the Hon'ble Bombay High Court set aside all three Arbitration Awards. As the Awards were set aside (on the basis of which the enforcement application was filed by HPCL), on 28.02.2019 the Malaysian High Court at Kuala Lumpur allowed the application of M/s M3energy to set aside the enforcement order with liberty to file fresh proceedings, if HPCL/ PPCL succeed later. Meanwhile, HPCL and PPCL have filed Appeals against the setting aside order (of Single Judge Bombay High Court) before the Division Bench of the Bombay High Court. After hearing arguments of parties, on 16.10.2019, the Hon'ble Bombay High Court set aside the Single Judge's Order and remanded all the 3 matters back to the Single Judge of the High Court, to decide the matter afresh on merits. This Order was challenged by M/s M3energy before the Supreme Court by filing Special Leave Petition (SLP) which, after brief arguments, was dismissed as withdrawn (by M/s M3energy) on 31.01.2020. As a result, the Single Judge of Bombay High Court will hear the matter afresh on merits. The matter was lastly listed on 18.01.2022, but could not be taken up.

As a result, the Corporation's share of the awarded amount which is approximately ₹ 420.74 Crore towards loss of profit /damages /costs and interest thereon has not been recognized on a conservative basis. Further, the claim raised by M/s M3Energy to the extent of Corporation's share i.e. approximately ₹ 237.20 Crore (@ Exchange rate of 1 USD = ₹ 75.7975), being considered remote is also not recognized.

	(₹ / Crore)	
	31.03.2022	31.03.2021
III. Commitments		
Estimated amounts of contracts remaining to be executed on capital account not provided for (net of advances)	13,369.24	17,238.38



53.2. Corporation has entered into a long term product off take agreement with M/s HPCL- Mittal Energy Limited (HMEI), its joint venture company, for purchase of petroleum products produced by the refinery. This agreement has a take or pay clause and the Corporation is committed to purchase the said petroleum products over the tenure of the agreement.

53.3. In respect of certain Joint Venture/Associate Companies, the Corporation and other joint venture partners have committed among others, that they would jointly hold at least 51% of share capital of such Joint Venture/Associate till the repayment of certain bank loans / bonds for which letters of comfort have been issued in certain cases.

IV. Corporation's Share in aggregate of Contingent Liabilities of Jointly Controlled Operations (refer Note 50):
(₹ / Crore)

Jointly controlled Operations	31.03.2022	31.03.2021
Contingent Liabilities	276.74	266.94

54. In compliance of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets', the requisite information with respect to movement in balance is as under:

(₹ / Crore)

Particulars	Opening Balance as on 01.04.2021	Additions	Utilization	Reversals	Closing Balance as on 31.03.2022
Excise	3.47	-	-	-	3.47
Sales Tax/Octroi/Entry Tax	386.72	3.37	-	13.26	376.83
Others	1,032.27	326.18	20.80	63.14	1,274.51
Total	1,422.46	329.55	20.80	76.40	1,654.81

(₹ / Crore)

Particulars	Opening Balance as on 01.04.2020	Additions	Utilization	Reversals	Closing Balance as on 31.03.2021
Excise	-	4.43	0.67	0.29	3.47
Sales Tax/Octroi/Entry Tax	210.35	194.93	1.47	17.09	386.72
Service Tax	-	-	-	-	-
Others	834.78	376.64	131.81	47.34	1,032.27
Total	1,045.13	576.00	133.95	64.72	1,422.46

Note: The above provisions are made based on estimates and expected timing of outflows is not ascertainable at this stage.

55. (a) Inter-Oil Company transactions are reconciled on a continuous basis. However, year end balances are subject to confirmation/reconciliation which is not likely to have a material impact.

(b) Customer's accounts are reconciled on an ongoing basis and such reconciliation is not likely to have a material impact on the outstanding or classification of the accounts.

56. The future cash flows have been worked out based on the desired margins and impairment assessment has been carried out for all of the Cash Generating Units. Since there do not exist any indication of impairment of assets as at Balance Sheet date, no impairment has been considered necessary. In view of assumptions being technical, peculiar to the industry and Government policy, the auditors have relied on the same.

57. On the reporting date, the Corporation has an equity investment of ₹ 756.72 Crore (31.03.2021: ₹ 748.94 Crore) in its wholly owned subsidiary, HPCL Biofuels Limited (HBL). Of this, as on March 31, 2021, an amount of ₹ 572.16 has already been impaired. The net worth of the Company as on March 31, 2022 at ₹ 206.92 Crore is more than the carrying value of the equity investment. Considering the Government policy in promoting ethanol blended petrol (subsidiary is engaged in production of ethanol) and the approved investment plan for the subsidiary, in the opinion of the management, the current level of impairment is appropriate.

58. The Corporation has an equity investment of ₹ 249.87 Crore in its 100% subsidiary, Prize Petroleum Company Limited. During the current financial year, an impairment assessment is carried out and ₹ 14 Crore (2020-21: ₹ Nil) is provided. The total amount of impairment towards the carrying value of the investment stands at ₹ 176.98 Crore (31.03.2021: ₹ 162.98 Crore). The said impairment is in line with the requirement of Ind AS 36 and is based on the estimated future cash flow projections from continuing use of its Assets in the entity. In the opinion of the management, the current level of impairment is appropriate.

- 59.** The Corporation has an equity investment of ₹ 66.77 Crore in its Associate, GSPC India Transco Limited. During the current financial year, an impairment assessment is carried out and ₹ 14.00 Crore (2020-21: ₹ Nil) is provided. The total amount of impairment towards the carrying value of the investment stands at ₹ 14.00 Crore (31.03.2021: ₹ Nil). The said impairment is in line with the requirement of Ind AS 36 and is based on the financial performance of the entity. In the opinion of the management, the current level of impairment is appropriate.
- 60.** The Corporation's 100% step-down subsidiary, Prize Petroleum International Pte Limited (a wholly owned subsidiary of Prize Petroleum Company Limited), incorporated in Singapore is engaged in the business of exploration & production of hydrocarbons. On a loan of \$86m taken during the financial year 2016-17 by the step-down subsidiary towards which a corporate guarantee was provided, the carrying value of the obligation was re-measured under the provisions of Ind AS 109 during the current financial year and a loss allowance of ₹ 31 Crore (2020-21: ₹ Nil) is provided during the year and accounted under 'Sundry Expenses and Charges'. The total amount of loss allowance thus made towards the carrying value of the Corporate Guarantee stands at ₹ 349 Crore (31.03.2021: ₹ 318 Crore).
- 61.** The Pradhan Mantri Ujjwala Yojana (PMUY) was launched in 2016 to provide LPG connections to women from below-poverty-line (BPL) households. The beneficiary is given an option to avail loan from the respective OMCs to meet the cost of the stove and first fill. This loan is to be recovered from the subsidy payable to the consumer on purchase of the refill cylinders. The loan has been provided to 1.76 Crore PMUY consumers for an amount aggregating to ₹ 2,962.33 Crore (31.03.2021: ₹ 2,963.01 Crore), and of this, ₹ 1,705.32 Crore (31.03.2021: ₹ 1,882.25 Crore) is outstanding at period end. The Loan is classified as 'subsequently measured at amortized cost' in the financial statements. Considering the decline in the average subsidy of LPG during the year at ₹ 29/- (2020-21: ₹ 42/-) per cylinder and the consequential increase in loan tenure, the carrying value of loan outstanding as at Balance Sheet date is re-measured based on revised estimates of future cash flows. Such re-measurement loss resulted in further reduction in gross carrying amount of outstanding loan, net of interest unwinding, by ₹ 251.85 Crore (2020-21: ₹ 273.11 Crore) during the year. Considering the cumulative re-measurement loss, net of interest unwinding, amounting to ₹ 524.96 Crore (31.03.2021: ₹ 273.11 Crore) and accounting of Deferred Expense amounting to ₹ 528.29 Crore (net balance after amortisation as of 31.03.2022 is ₹ 387.16 Crore), the outstanding loan at period end is carried in the books at ₹ 652.07 Crore (31.3.2021: ₹ 1,080.85 Crore). Further, considering the consumption pattern of refills, level of subsidies and consequential impact on repayment of the loan, by following the principles of prudence and conservatism, net of reversal, if any, a cumulative provision of ₹ 118.70 Crore (31.03.2021: ₹ 618.07 Crore) is estimated and recognized in books. The reversal of provision during the year amounted to ₹ 499.37 Crore (2020-21: a provision of ₹ 390.67 Crore) that arose primarily due to inactive consumer turning active, pursuant to focused initiatives taken in this regard. The expected credit loss estimate is reasonable.
- 62.** The Corporation implements various schemes of Government of India, such as - PMUY, Direct Benefit Transfer scheme, wherein the amount is either received in advance or reimbursed subsequently. As of 31.03.2022, reimbursements amounting to ₹ 152.11 Crore (31.03.2021: ₹ 215.92 Crore) are pending for a period beyond 6 months. Being dues from Government, no provision has been considered necessary.
- 63.** Pursuant to completion of tenure in Office & consequential cessation of 2 of the Independent Directors, the number of Independent Director in the Board at the commencement of the financial year has got reduced to 1 only, which was less than the minimum number of Independent Directors required in terms of the provisions of the Listing Agreement and the Companies Act, 2013. This was also not in line with the requirement under the relevant SEBI Regulations for the Board to have independent Women Director. During the financial year 2021-22, the Corporation approached the administrative ministry for appointment of requisite number of Directors for compliance of the provisions of the Listing Agreement and the Companies Act, 2013. During the financial Year 2021-22, MOP&NG appointed 5 Independent Directors on the Board, i.e. Four Independent Directors on November 16, 2021 and One Independent Director on December 30, 2021. Thereafter, the Corporation is compliant of all the provisions relating to Composition of Board and the Statutory Board Level Committees prescribed under the Act. This position has been continuing as on the date of approval of Financial Statements for the Financial Year 2021-22.

	(₹ / Crore)	
	31.03.2022	31.03.2021
64. Interest on borrowings capitalized (weighted average cost of borrowing rate used for capitalization of general borrowing is 4.37% (2020-21 : 1.53%)).	1,205.24	719.46

- 65.** The Corporation has presented segment information in its Consolidated Financial Statements. Accordingly, in terms of provisions of Indian Accounting Standard on Segment Reporting (Ind AS 108) no disclosure related to the segment are presented in the Standalone Financial Statements.

**66. Threshold limits adopted in respect of financial statements is given below:**

(₹ / Crore)

Threshold item	Unit of Measurement	Threshold Limit
Capitalization of spare parts meeting the definition of property plant and equipment.	₹ Lakhs	15.00
Deprecation at 100% in the year of acquisition except LPG cylinders and pressure regulators.	₹	10,000.00
Income / expenditure pertaining to prior year (s)	₹ Crore	175.00
Prepaid expenses	₹ Lakhs	7.50
Disclosure of contingent liabilities	₹ Lakhs	5.00
Disclosure of capital commitments	₹ Lakhs	5.00
Refundable Non-current Financial Deposits not yielding Interest excluded from fair-valuation.	₹ Lakhs	50.00
Deposits such as those placed with Utility Entities are charged to revenue in the year of payment	₹	10,000.00

67. Employee benefit obligations**A. Provident Fund**

The long term employee benefit of Provident Fund is administered through a separate Trust, established for this purpose in accordance with The Employee Provident Fund and Miscellaneous Provisions Act, 1952. The Corporation's contribution to the Provident Fund is remitted to this trust based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. During the year, the Corporation has recognized ₹ 161.93 Crore (2020-21: ₹ 167.65 Crore) as Employer's contribution to Provident Fund in the Statement of Profit and Loss.

Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, will be made good by the Corporation and charged to Statement of Profit and Loss. During the year, the actual return earned by the fund has been higher than the Government specified minimum rate of return. There did not arise a shortfall in the fund as on 31st March 2022 and 31st March 2021. The present value of benefit obligation at period end is ₹ 4,897.34 Crore (31.03.2021: ₹ 4,678.45 Crore). The fair value of the assets of Provident Fund Trust as of Balance Sheet date is greater than the present value of benefit obligation.

During the year a provision of ₹ 15.87 Crore has been reversed (created in FY 2019-20) being excess provision no longer required.

B. Superannuation Fund

The Corporation has Superannuation - Defined Contribution Scheme (DCS) maintained by 'Superannuation Benefit Fund Scheme (SBFS) Trust' wherein Employer makes a monthly contribution of a certain percentage of 'Basic Salary & Dearness Allowance(DA)', out of 30%, earmarked for various Superannuation benefits. This is in accordance with Department of Public Enterprises (DPE) guidelines. These contributions are credited to individual Employee's Account maintained either with Life Insurance Corporation of India (LIC) or an optional National Pension Scheme (NPS) Account. For the financial year 2021-22, the Corporation has made an overall contribution of ₹ 194.39 Crore (2020-21 : ₹ 192.51 Crore) towards Superannuation - DCS [including ₹ 78.73 Crore (2020-21 : ₹ 59.70 Crore) to NPS] by charging it to the statement of Profit and Loss.

While there did not arise any need for funding in the financial year 2021-22, during the year 2020-21, the Corporation had made a provision of ₹ 23.41 Crore by charging to Statement of Profit & Loss towards increase in liabilities in case of Superannuation - Defined Benefit Scheme (DBS) determined based on actuarial valuation.

C. The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ / Crore)

Sr. No.	Particulars	Provident Fund	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
		Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
1	Present value of projected benefit obligation						
	Present value of Benefit Obligation at the beginning of the period	4678.45	870.99	1,085.07	17.09	28.12	11.07
		4372.47	869.27	907.54	18.78	21.92	11.67
	Interest Cost	374.10	59.23	74.98	1.10	1.83	0.75
		367.17	59.72	61.80	1.28	1.44	0.80
	Current Service Cost	161.91	13.83	57.24	-	-	2.57
		167.63	14.07	58.93	-	-	2.66
	Employee Contribution	317.13	-	-	-	-	-
		334.39	-	-	-	-	-
	Liability Transferred In	3.11	-	-	-	-	-
		1.90	-	-	-	-	-
	Liability Transferred Out	(0.48)	-	-	-	-	-
		-	-	-	-	-	-
	Past Service Cost	-	-	-	-	-	-
		-	-	-	-	9.92	-
	Benefit paid	(636.88)	(113.75)	(58.13)	(2.63)	(6.20)	(3.13)
		(565.11)	(100.71)	(58.27)	(3.03)	(6.52)	(0.50)
	Actuarial (gains)/ losses on obligations - due to change in demographic assumptions	-	(1.24)	(0.33)	-	-	0.11
		-	-	95.17	0.15	(0.78)	-
	Actuarial (gains)/ losses on obligations - due to change in financial assumptions	-	(20.83)	(72.00)	(0.30)	(0.15)	(0.32)
		-	3.58	48.70	0.26	0.08	0.05
	Actuarial (gains)/ losses on obligations - due to experience	-	(4.70)	(54.85)	(0.58)	1.89	(0.99)
		-	25.06	(28.80)	(0.35)	2.06	(3.61)
	Present value of Benefit Obligation at the end of the period	4,897.34	803.53	1,031.98	14.68	25.48	10.07
		4,678.45	870.99	1,085.07	17.09	28.12	11.07
2	Changes in fair value of plan assets						
	Fair value of Plan Assets at the beginning of the period	4,793.98	820.49	977.38	NA	NA	NA
		4,374.52	783.39	749.17	NA	NA	NA
	Interest income	374.10	55.79	67.54	NA	NA	NA
		367.17	53.82	51.02	NA	NA	NA
	Contributions by the employer	161.91	50.50	107.69	NA	NA	NA
		167.63	85.88	158.37	NA	NA	NA
	Contributions by the employee	317.13	-	5.08	NA	NA	NA
		334.39	-	4.50	NA	NA	NA
	Transfer from Other Company	3.11	-	-	NA	NA	NA
		1.90	-	-	NA	NA	NA
	(Transfer to Other Company)	(0.48)	-	-	NA	NA	NA
		-	-	-	NA	NA	NA
	Benefit paid	(636.88)	(113.75)	-	NA	NA	NA
		(565.11)	(100.71)	-	NA	NA	NA
	Return on plan assets, excluding interest income	(43.27)	8.87	18.38	NA	NA	NA
		113.48	(1.89)	14.32	NA	NA	NA
	Fair value of Plan Assets at the end of the period	4,969.60	821.90	1,176.06	NA	NA	NA
		4,793.98	820.49	977.38	NA	NA	NA



(₹ / Crore)							
Sr. No.	Particulars	Provident Fund	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
		Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
3	Included in Statement of Profit and Loss						
	Current Service Cost	161.91	13.83	57.24	-	-	2.57
		167.63	14.07	58.93	-	-	2.66
	Past Service Cost	-	-	-	-	-	-
		-	-	-	-	9.92	-
	Net interest cost	374.10	3.44	7.44	1.10	1.83	0.75
		367.17	5.90	10.78	1.28	1.44	0.80
	(Interest Income)	(374.10)	-	-	-	-	-
		(367.17)	-	-	-	-	-
	Contributions by the employee	-	-	(5.08)	-	-	-
		-	-	(4.50)	-	-	-
	Total amount recognised in Statement of Profit and Loss	161.91	17.27	59.60	1.10	1.83	3.33
		167.63	19.97	65.21	1.28	11.36	3.46
4	Remeasurements						
	Return on plan assets, excluding interest income	-	(8.87)	(18.38)	-	-	-
		-	1.89	(14.32)	-	-	-
	(Gain)/loss from change in demographic assumptions	-	(1.24)	(0.33)	-	-	0.11
		-	-	95.17	0.15	(0.78)	-
	(Gain)/loss from change in financial assumptions	-	(20.83)	(72.00)	(0.30)	(0.15)	(0.32)
		-	3.58	48.70	0.26	0.08	0.05
	Experience (gains)/losses	-	(4.70)	(54.85)	(0.58)	1.89	(0.99)
		-	25.06	(28.80)	(0.35)	2.06	(3.61)
	Change in asset ceiling, excluding amounts included in interest expense	-	-	-	-	-	-
		-	-	-	-	-	-
	Total amount recognised in other comprehensive income	-	(35.64)	(145.56)	(0.88)	1.74	(1.20)
		-	30.53	100.75	0.06	1.36	(3.56)

D: Amount recognised in the Balance Sheet

(₹ / Crore)						
	Provident Fund	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Present value of benefit obligation as on 31.03.2022	4,897.34	803.53	1,031.98	14.68	25.48	10.07
Fair value of plan assets as on 31.03.2022	4,969.60	821.90	1,176.06	-	-	-
Net Liability / (Asset) not recognised in Balance Sheet	(72.26)	-	-	-	-	-
Net Liability / (Asset) recognised in Balance Sheet	-	(18.37)	(144.08)	14.68	25.48	10.07

(₹ / Crore)						
	Provident Fund	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Present value of benefit obligation as on 31.03.2021	4,678.45	870.99	1,085.07	17.09	28.12	11.07
Fair value of plan assets as on 31.03.2021	4,793.98	820.49	977.38	-	-	-
Net Liability / (Asset) not recognised in Balance Sheet	(115.53)	-	-	-	-	-
Net Liability / (Asset) recognised in Balance Sheet	-	50.50	107.69	17.09	28.12	11.07

Pursuant to paragraph 57 of Ind AS 19, accounting by an entity for defined benefit plans, inter-alia, involves determining the amount of the net defined benefit liability (asset) which shall be adjusted for any effect of limiting a net defined benefit asset to the asset ceiling prescribed in paragraph 64. As per Para 64 of Ind AS 19, in case of surplus in a defined benefit plan, an entity shall measure the net defined benefit asset at the lower of actual surplus or the value of the assets ceiling determined using the discount rate. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. Further, paragraph 65 provides that a net defined benefit asset may arise where a defined benefit plan has been overfunded or where actuarial gains have arisen.

As per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Company has no right to the benefits either in the form of refund from the plan or lower future contribution to the plan towards the net surplus of ₹ 72.26 Crore (31.03.2021: ₹ 115.53 Crore) determined through actuarial valuation. Accordingly, the Corporation has neither recognised the surplus as an asset, nor the remeasurement loss /gains in 'Other Comprehensive Income', as these pertain to the Provident Fund Trust and not to the Corporation.

E. Plan assets

(₹ / Crore)

	31.03.2022			31.03.2021		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
Plan assets comprise of the following:						
Gratuity - Investment with Insurance companies PF/ PRMB - Self managed Investments	4,969.60	821.90	1,176.06	4,793.98	820.49	977.38
	4,969.60	821.90	1,176.06	4,793.98	820.49	977.38

Details of the investment pattern for the above mentioned funded obligations are as under:

	31.03.2022			31.03.2021		
	Provident Fund	Gratuity	PRMBS	Provident Fund	Gratuity	PRMBS
Government Securities (Central & State)	55.85%	-	51.90%	56.57%	-	47.50%
Investment in Debentures / Securities	39.57%	-	37.22%	37.34%	-	34.00%
Investment in Equity / Mutual Funds	2.13%	-	4.27%	1.54%	-	3.36%
Insurance Managed Funds	-	100%	-	-	100%	-
Others Assets	2.45%	-	6.60%	4.55%	-	15.14%

F. Significant estimates (actuarial assumptions and sensitivity)

(i) The significant actuarial assumptions were as follows:

31.03.2022	Provident Fund	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	7.23%	7.23%	7.40%	NA	NA	NA
Rate of Discounting	7.23%	7.23%	7.40%	6.96%	6.70%	7.23%
Rate of Salary Increase	7.00%	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Urban Indian Individual AMT (2012-15)					
Mortality Rate After Employment						



31.03.2021	Provident Fund	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	6.80%	6.80%	6.91%	NA	NA	NA
Rate of Discounting	6.80%	6.80%	6.91%	6.44%	6.49%	6.80%
Rate of Salary Increase	7.00%	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment		Indian Assured Lives Mortality (2006-08)				
Mortality Rate After Employment		Indian Individual AMT (2012-15)				

(ii) Sensitivity analysis

(₹ / Crore)

31.03.2022	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of +1% Change in Rate of Discounting	(43.70)	(124.40)	(0.54)	(0.68)	(0.66)
Delta effect of -1% Change in Rate of Discounting	50.60	158.39	0.59	0.73	0.78
Delta effect of +1% Change in Future Benefit cost inflation	-	159.23	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(125.55)	-	-	-
Delta effect of +1% Change in Rate of Salary Increase	7.62	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(9.35)	-	-	-	-
Delta effect of +1% Change in Rate of Employee Turnover	18.65	-	-	-	(0.73)
Delta effect of -1% Change in Rate of Employee Turnover	(21.20)	-	-	-	0.85

(₹ / Crore)

31.03.2021	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of +1% Change in Rate of Discounting	(47.87)	(133.06)	(0.66)	(0.79)	(0.73)
Delta effect of -1% Change in Rate of Discounting	55.36	170.13	0.73	0.85	0.86
Delta effect of +1% Change in Future Benefit cost inflation	-	170.71	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(134.07)	-	-	-
Delta effect of +1% Change in Rate of Salary Increase	9.92	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(12.18)	-	-	-	-
Delta effect of +1% Change in Rate of Employee Turnover	15.44	-	-	-	(0.80)
Delta effect of -1% Change in Rate of Employee Turnover	(17.46)	-	-	-	0.94

G. The expected maturity analysis of undiscounted benefits is as follows:

(₹ / Crore)

	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year & above
31.03.2022				
Gratuity	134.67	74.91	299.44	972.09
PRMBS	47.94	52.72	190.42	325.61
Pension	2.17	2.14	6.21	9.27
Ex - Gratia	4.96	4.85	13.75	19.68
Resettlement Allowance	1.43	0.70	3.52	15.09
Total	191.17	135.32	513.34	1,341.74

(₹ / Crore)

	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year & above
31.03.2021				
Gratuity	131.76	84.00	326.43	989.37
PRMBS	50.70	55.05	194.30	323.63
Pension	2.45	2.41	7.02	10.51
Ex - Gratia	5.30	5.19	14.78	21.41
Resettlement Allowance	1.36	0.81	3.91	15.59
Total	191.57	147.46	546.44	1,360.51

H. Notes:

- I. Gratuity :** Each employee rendering continuous service of 5 Years or more is entitled to receive gratuity amount equal to 15/26 of the eligible salary for every completed years of service subject to maximum of ₹ 0.20 Crore at the time of separation from the Corporation. Besides the ceiling, gratuity increases by 25% whenever IDA rises by 50%. The long term employee benefit of Gratuity is administered through a Trust, established under The Payment of Gratuity Act, 1972. The Board of Trustees comprises of representatives from the Employer who are also plan participants in accordance with the plans regulation. The liability towards gratuity is funded with Life Insurance Companies.
- II. Pension :** The employees covered by the Pension Plan of the Corporation are entitled to receive monthly pension for life. However, none of the current serving employees are covered under Pension Plan of the Corporation.
- III. Post Retirement Medical Benefit (PRMBS) :** Post Retirement Benefit medical scheme provides medical benefit to retired employees and eligible dependent family members. This long term employee benefit is administered through a Trust. The liability towards Post-Retirement Medical Benefit for employees is ascertained, yearly, based on the actuarial valuation and funded to the Trust.
- IV. Ex-gratia :** The ex-employees of the Corporation are covered under the Scheme, entitling to get ex-gratia, determined based on their salary grade at the time of their superannuation. The benefit is paid to eligible employees till their survival, and thereafter till the survival of their spouse. However, none of the current serving employees are covered under this Plan.
- V. Resettlement Allowance :** Upon superannuation from the services of the Corporation, there are employees who permanently settle down at a place other than the location of the last posting. Such employees are provided with resettlement allowance as per policy of the Corporation.
- VI. Funds retained in LIC :** The employees of the Corporation are entitled to certain leave as per policy. The liability of the Corporation is determined annually through actuarial valuation and funded with Life Insurance Corporation of India (LIC).
- VII. Others :** The expected return on plan assets is based on market expectation over the entire life of the related obligation. The actuarial assumption with regard to future salary escalation takes into consideration, the factors such as inflation, seniority, promotion, demand & supply in the employment market.

VIII. Figures in italics represent last year figures

68. As on 31.03.2022, the Corporation has an inventory of Non-Solar Renewable Energy Certificates (RECs) numbering 16,830 Units (31.03.2021: 35,041), available for Sale after earmarking a requisite quantity already for captive consumption. Traded in Indian Energy Exchange Ltd., the revenue from RECs is recognized as and when the same are sold. At period end, these RECs are traded in a price band of ₹ 1,000/- to ₹ 3,000/- per REC. Pursuant to order of Appellate Tribunal for Electricity (APTEL), trading of RECs has restarted during the year and the validity of RECs has been extended till December 2023.

69. There are no loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties either severally or jointly with any other person that are repayable on demand (or without specifying any terms or period of repayment) except for a loan of ₹ 60.00 Crore granted to one of the subsidiaries, which will be converted to equity subsequent to the reporting date. Details of the same is as under:

Type of Borrower	Amount Outstanding (₹ /Crore)		% of Total Loans and Advances	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Related Party	60.00	-	4.24%	-

70. Relationship with Struck Off Companies

(₹ / Crore)

Name	Nature of Transaction	Balance O/s as on		Relationship, if any
		31.03.2022	31.03.2021	
Vizag Icon Ventures Private Limited	Payables	< 0.01	< 0.01	None
Gayatri Lubricant Private Limited	Payables	-	< 0.01	None
Kothari Intergrroup Limited	Payables	< 0.01	< 0.01	None
Naku Tanti Escapades Private Limited	Payables	< 0.01	< 0.01	None

71. Financial Ratios

Ratio	31.03.2022	31.03.2021	Variance (%)	Reason for Variance
(a) Current Ratio (Times) (Current Assets / Current Liabilities)	0.70	0.70	0.00%	
(b) Debt-Equity Ratio (Times) Borrowings (Long Term + Short Term) / Equity	1.12	1.11	0.90%	
(c) Debt service coverage Ratio (Times) (Profit after tax + Finance cost + Depreciation) / (Finance cost + Principal Repayment (Long term borrowing and Lease Liabilities))	2.20	2.56	(14.06%)	
(d) Return on Equity Ratio (%) (Profit after tax / Average Equity)	17.05%	32.74%	(47.91%)	Primarily due to reduction in profit for the financial year as compared to previous financial year.
(e) Inventory Turnover Ratio (Times) (Sale of Products / Average Inventory)	11.66	11.28	3.33%	
(f) Trade Receivables Turnover Ratio (Times) (Sale of Products / Average Trade Receivables)	56.51	49.96	13.12%	
(g) Trade Payables Turnover Ratio (Times) (Purchases of Stock in trade, Raw Materials & Packages + Other Expenses / Average Trade Payables)	16.00	16.08	(0.54%)	

Ratio	31.03.2022	31.03.2021	Variance (%)	Reason for Variance
(h) Net Capital Turnover Ratio (Times) (Sale of Products / Average Working Capital)	(18.77)	(14.10)	33.13%	Primarily due to higher Sale of products during the year as compared to the previous financial year.
(i) Net Profit Ratio (%) (Profit after Tax / Revenue from Operations)	1.71%	3.94%	(56.73%)	Due to higher Sale of products and lower profitability during the financial year as compared to previous financial year.
(j) Return on Capital Employed (%) (Profit before exceptional item, interest and tax / Average Capital Employed) Average Capital Employed = Net Worth + Total Debt + Deferred Tax Liability	10.82%	20.06%	(46.03%)	Primarily due to reduction in profit for the financial year as compared to previous financial year.
(k) Return on Investment (%) ((Closing Balance + Interest + Dividend - opening balance +/- Cash Flows during the Period) / Average Investments)				
- Investment in Subsidiaries, Associates and Joint Ventures	4.51%	4.55%	(1.01%)	
- Investment in Government Securities	6.02%	8.41%	(28.41%)	Primarily due to fair value gains / losses.
- Other Investments	67.80%	42.10%	61.06%	Primarily due to fair value gains.

72. Other Disclosures

- 72.1. The Quarterly returns / statements of the first 3 quarters of the current financial year with respect to current assets (Inventories) filed with banks / financial institutions for the financial year 2021-22 are in agreement with the books of accounts. The return for the 4th quarter, being price sensitive information, will be filed after declaration of annual results.
- 72.2. Compliance with number of layers of companies as per Clause 87 of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable for Government Companies.
- 72.3. There have not been any revaluation of Property, Plant & Equipment and Intangible Assets.
- 72.4. The borrowings from banks and financial institutions were used for the purpose for which it was taken.
- 72.5. There are no proceedings initiated or pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 72.6. No Bank or financial institution or other lender has declared the Corporation as willful defaulter.
- 72.7. There are no Charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- 72.8. There are no pending applications with any authority for a scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.



72.9. To the best of 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) 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 Corporation (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

To the best of knowledge and belief, no funds have been received from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, to 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 Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

72.10. There are no unrecorded transactions, which have been surrendered or disclosed as Income during the year in the tax assessments under the Income tax act, 1961.

72.11. There are no trading entered into or investments made in Crypto Currency or Virtual Currency during the year.

73. Previous periods figures are regrouped / reclassified wherever necessary.



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HINDUSTAN PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of Hindustan Petroleum Corporation Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Hindustan Petroleum Corporation Limited for the year ended 31 March 2022 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. After the audit, comment of C&AG was issued on 18 July 2022 pointing out that the company has not disclosed negative balance in LPG Buffer Account in Notes to Financial Statements. Based on the comment, the company disclosed the same in Note No- 31.4 to the Financial Statements. The same was also endorsed by statutory auditors.

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

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

sd/-

C.M. Sane

Director General of Commercial Audit, Mumbai

Place: Mumbai

Date: 26 July 2022



Notes to the Consolidated Financial Statements

for the year ended 31st March, 2022

CORPORATE OVERVIEW

Hindustan Petroleum Corporation Limited referred to as “HPCL” or “the Corporation” was incorporated on 5th July, 1952. HPCL is a Government of India Enterprise listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, with Oil and Natural Gas Corporation Limited, (“ONGC” or “the Holding Company”) holding 51.11% of Equity Shares with effect from January 31, 2018 and pursuant to a shares buy-back program carried-out by the Corporation during the period November 17, 2020 to May 14, 2021, it has increased further to 54.90% as of March 31, 2022, (53.64% as of March 31, 2021). The Corporation and its Subsidiaries are together referred to as “Group”, mainly engaged in the business of refining of crude oil and marketing of petroleum products, production of hydrocarbons and providing services for management of E&P Blocks, manufacturing of ethanol, sugar and generation of power and operating Liquefied Natural Gas (LNG) regasification terminal (under construction phase).

Authorization of Consolidated Financial Statements

The Consolidated Financial Statements were authorized for issuance in accordance with a resolution of the directors on May 19, 2022 (refer Note 57).

1. Basis of preparation:

1.1. The Consolidated Financial Statements (CFS) relates to Hindustan Petroleum Corporation Limited (HPCL), its subsidiary companies and its interest in Joint Ventures and Associates.

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant Provisions of Companies Act, 2013 and Rules thereunder.

The Consolidated Financial Statements have been prepared under historical cost convention basis except for certain assets and liabilities measured at fair value.

The Group's presentation currency is INR, which is also the functional currency of the Corporation. All values are rounded to the nearest Crore (₹ Crore), except where otherwise indicated.

Use of Judgement and Estimates

The preparation of the Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated Financial Statements are as below:

- Assessment of functional currency;
- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligation, key actuarial assumptions;
- Provisions and Contingencies; and
- Evaluation of recoverability of deferred tax assets

Revisions to accounting estimates are recognized prospectively in the Consolidated Financial Statements in the period in which the estimates are revised and in any future periods affected.

1.2. Principles of Consolidation

The Consolidated Financial Statements are prepared using uniform significant accounting policies for the like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as HPCL's separate financial statements.

The Financial Statements of HPCL and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, the intra group balance and intra group transactions after eliminating unrealised profits or losses resulting from intra group transactions.

The financial statements of Joint Ventures and Associates have been consolidated using equity method whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition changes in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income after eliminating unrealised profits or losses. In case of some Joint Ventures and Associates, certain accounting policies are different from that of the Corporation, the impact of which is not expected to be material.

The figures pertaining to the Subsidiary Companies/Joint Ventures/ Associates have been reclassified, wherever necessary, to conform to the parent company, i.e. HPCL's Financial Statements.

1.3. Companies included in Consolidation

The Consolidated Financial Statements comprise the Audited Financial Statements, except as mentioned otherwise of HPCL, its Subsidiaries, Joint ventures and Associates for the year ended 31st March 2022, which are as under:

Name of the Company	Country of Incorporation	HPCL's Ownership Interest	
		31.03.2022	31.03.2021
(i) Subsidiaries(refer note no. 1.3.1)			
HPCL Biofuels Limited (HBL)	India	100.00%	100.00%
Prize Petroleum Company Limited (PPCL) (refer note no 1.3.2)	India	100.00%	100.00%
HPCL Middle East FZCO (HMEFZCO)	Dubai	100.00%	100.00%
HPCL LNG Limited (HPLNG) formerly known as HPCL Shapoorji Energy Private Limited (HSEPL) (refer note no 1.3.3)	India	100.00%	100.00%
[Converted into a Public Limited Company effective 10 th September, 2021]			
(ii) Joint Ventures			
HPCL Rajasthan Refinery Limited (HRRL)	India	74.00%	74.00%
HPCL - Mittal Energy Limited (HMEL) (refer note no 1.3.2)	India	48.99%	48.99%
Hindustan Colas Private Limited (HINCOL) (refer note no 1.3.2)	India	50.00%	50.00%
South Asia LPG Company Private Limited (SALPG)	India	50.00%	50.00%
Bhagyanagar Gas Limited (BGL) (refer note no. 1.3.4)	India	48.73%	48.73%
Godavari Gas Private Limited (GGPL)	India	26.00%	26.00%
Petronet India Limited (PIL)	India	16.00%	16.00%
Petronet MHB Limited (PMHBL)	India	50.00%	50.00%
Aavantika Gas Limited (AGL)	India	49.99%	49.99%
Mumbai Aviation Fuel Farm Facility Private Limited (MAFFFL)	India	25.00%	25.00%
Ratanagiri Refinery & Petrochemicals Limited	India	25.00%	25.00%
HPOIL Gas Private Limited (HOGPL)	India	50.00%	50.00%
IHB Ltd. (IHBL)	India	25.00%	25.00%
[Converted into a Public Limited Company effective 6 th April, 2021]			
(iii) Associates			
Mangalore Refinery and Petrochemicals Limited (MRPL) (refer note no 1.3.2)	India	16.96%	16.96%
GSPL India Gasnet Limited (GIGL)	India	11.00%	11.00%
GSPL India Transco Limited (GITL)	India	11.00%	11.00%



1.3.1. The Corporation has four subsidiaries

- a) Prize Petroleum Company Limited together with its subsidiary is engaged in the business of exploration & production of hydrocarbons and providing services for management of E&P Blocks.
- b) HPCL Biofuels Limited is engaged in the business of manufacturing ethanol and sugar from crushing of sugarcane and generation of power from the bagasse generated in the process.
- c) HPCL Middle East FZCO, a Free Zone Company under Dubai Airport Free Zone is engaged in trading in Lubricants & Grease, Petrochemicals and Refined Oil Products in Middle East and Africa.
- d) HPCL LNG Limited (formerly known as HPCL Shapoorji Energy Private Limited) is engaged in the construction of facilities to operate and maintain a Liquefied Natural Gas (LNG) regasification terminal at Chhara Port in Gir Somnath, District of Gujarat.

1.3.2. In the preparation of Consolidated Financial Statements for the Group, the Consolidated Financial Statements of the following Companies have been considered.:

- a) Mangalore Refinery and Petrochemical Limited (MRPL) having one joint venture namely Shell MRPL Aviation Fuels and Services Limited.
- b) Prize Petroleum Company Limited having one wholly owned subsidiary, namely Prize Petroleum International PTE Limited.
- c) HPCL – Mittal Energy Limited having one wholly owned subsidiary, namely HPCL – Mittal Pipelines Limited.
- d) Hindustan Colas Private Limited (HINCOL) having one joint venture namely Dust-A-Side Hincol Limited.

1.3.3. HPCL LNG Limited (HPLNG), [formerly known as HPCL Shapoorji Energy Private Limited (HSEPL)], was incorporated in October 2013 as a joint venture company of HPCL and SP Ports Private Limited to construct and operate a Liquefied Natural Gas (LNG) regasification terminal at greenfield port of Chhara, Gir Somnath District, Gujarat. On March 30, 2021, HPCL had acquired the entire shares owned by SP Ports Private Limited and upon such acquisition, HPLNG became a wholly owned subsidiary of HPCL. In compliance with IndAS-103 “Business Combinations”, in the year 2020-21, a goodwill of ₹ 304.92 Crore was recognized and pursuant to fair valuation of existing held equity interest, a gain of ₹ 158.99 Crore was also recognized.

1.3.4. As of 31st March 2014, Bhagyanagar Gas Limited (BGL) had a paid up equity capital of ₹ 5 lakhs, in which HPCL and GAIL were holding 24.99% each and the balance 50.02% of shares were held by Kakinada Seaports Ltd (KSPL) on warehousing basis. In addition, HPCL and GAIL had paid ₹ 22.49 Crore each as Advance against Equity / Share application money (totaling to ₹ 44.98 Crore). On 20th August 2014, BGL allotted 2,24,87,500 shares on preferential basis to each of HPCL and GAIL towards the money paid earlier. Accordingly, the Corporation's shareholding in BGL had increased to 48.73%. KSPL challenged this in the Company Law Board (CLB), Chennai Bench which dismissed it on 14th September 2014. Against this, KSPL moved the High Court, Telangana, which did not stay the dismissal order of CLB. Pending adjudication of the appeal by KSPL before the High Court, in the preparation of Consolidated Financial Statements (CFS), the shareholding was considered at 24.99% till 31st March 2020. However, taking all the facts into consideration, including receipt of dividend on the entire stake of 48.73% during financial year 2020-21 and the Articles of Associations of BGL, the shareholding is being considered as at 48.73%, in the preparation of CFS, effective financial year 2020-21. Had BGL continued to be consolidated at 24.99%, share of consolidated net profit from BGL for the financial year 2020-21 would have been lower by ₹ 23.01 Crore.

1.3.5. Ujjwala Plus Foundation, a joint venture of Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Ltd (HPCL) with fund contribution in the ratio 50%: 25%: 25%, respectively was incorporated on 21st July, 2017 as a not-for-profit Private Company Limited by Guarantee (without Share Capital) under Section 8 of the Companies Act 2013. Ujjwala Plus Foundation has not been considered for consolidation being a not-for-profit company.

2. Significant Accounting Policies

2.1. Property, Plant and Equipment

- 2.1.1. Freehold lands are carried at cost. All other items of Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any;
- 2.1.2. The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes); any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by management; initial estimated present value of any contractual decommissioning obligation; and borrowing cost for qualifying assets (i.e., assets that necessarily take a substantial period of time to get ready for their intended use);
- 2.1.3. Technical know-how / licence fee relating to plants / facilities are capitalized as part of cost of the underlying asset;
- 2.1.4. Expenditure during construction period: Direct expenses incurred during construction period on capital projects are capitalised;
- 2.1.5. The cost of an item of PPE (Initial and subsequent recognition) is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Corporation; and the cost of the item can be measured reliably;
- 2.1.6. Spare parts which are meeting the requirement of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit and Loss on consumption;
- 2.1.7. An item of Property, Plant and Equipment and any significant part initially recognised separately as part of Property, Plant and Equipment is derecognised upon disposal; or when no future economic benefits are expected from its use or disposal; or when the Property, Plant Equipment has been re-classified as ready for disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised;
- 2.1.8. The residual values and useful lives of Property, Plant and Equipment are reviewed during each financial year and changes are accounted for as change in accounting estimates on a prospective basis;
- 2.1.9. The Corporation has chosen the carrying value of Property, Plant and Equipment existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April, 2015 as deemed cost.

2.2. Depreciation / amortization

- 2.2.1. Depreciation on Property, Plant and Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Corporation has assessed the estimated useful lives of its Property, Plant and Equipment and has adopted the useful lives and residual value as prescribed in Schedule II except for the following:

Useful Life (Basis internal technical assessment):

Plant and Machinery relating to Retail Outlets (other than Storage tanks and related equipment)	15 years
Cavern Structure	60 years
LPG cylinders & regulators (excluding cylinders held for sale)	15 years
CNG Compressors	10 years
CNG Cascades and SS tubing in CNG Stations	20 years

Residual Value (Basis historical data):

LPG cylinder and pressure regulator	15% of original cost
Catalyst with noble metal content	90% of original cost of noble metal content

- 2.2.2. The Corporation depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components is assessed by considering historical experience, internal technical inputs and any other relevant factor;
- 2.2.3. Items of Property, Plant and Equipment costing not more than the threshold limit are depreciated at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators (excluding cylinders held for sale) which are depreciated over a useful life of 15 years based on the technical assessment;



2.2.4. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment;

2.2.5. Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

2.3. Intangible assets

2.3.1. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding development costs, are not capitalised and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Development costs are capitalised if technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Corporation has an intention and ability to complete and use or sell the asset and the costs can be measured reliably;

2.3.2. Assets where entire output generated is committed to be sold to a public sector entity (including Government body) for almost the entire useful life of the asset are classified as intangible assets as per the requirements of Ind AS and are amortised (after retaining the residual value, if applicable) over their useful life;

2.3.3. In cases where, the Corporation has constructed assets and the Corporation has only a preferential right to use, these assets are classified as intangible assets and are amortised (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower;

2.3.4. The useful lives of intangible assets are assessed as either finite or indefinite;

2.3.5. Intangible assets with finite lives are amortised on straight line basis over their useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year end. The amortisation expense on intangible assets with finite lives and impairment loss is recognised in the statement of Profit and Loss.

2.3.6. Intangible assets with indefinite useful lives, such as 'right of way' which is perpetual and absolute in nature, are not amortised, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognised in the Statement of Profit and Loss;

2.3.7. Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets;

2.3.8. Estimated lives of intangible assets (acquired) are as follows:

- Software: 2 to 4 years
- Technical know-how/license fees: 2 to 10 years
- Right to use – wind mills: 22 years

2.3.9. The Corporation has chosen the carrying value of Intangible Assets existing as per previous GAAP as on date of transition to Ind AS i.e., 1st April 2015 as deemed cost.

2.4. Borrowing Cost

2.4.1. Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange rate variation to the extent regarded as an adjustment to interest cost;

2.4.2. Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset till the month in which the asset is ready for intended use. Capitalisation of borrowing costs is suspended when active development on the qualifying assets is interrupted except when temporary and charged to the Statement of Profit and Loss during such periods. All other borrowing costs are expensed in the period in which they are incurred;

2.4.3. Borrowing cost, if any, incurred on General Borrowings used for projects is capitalised at the rate computed on weighted average basis.

2.5. Non-current assets held for sale

2.5.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met, only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets;

2.5.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell;

2.5.3. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortized.

2.6. Current / Non-current classification

Classification of current / non-current assets and liabilities in the Balance Sheet is based on principles as mentioned below:

2.6.1. An asset is treated as current when it is

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalents unless restricted from being exchanged or used for settlement of a liability arising at least twelve months after the reporting period.

All other assets are classified as non-current.

2.6.2. A liability is treated as current when it is:

- Expected to be settled in normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting period, or
- Not granting any unconditional right to defer the settlement of the liability for at least twelve months after the reporting period;

All other liabilities are classified as non-current.

2.7. Leases

Wherever a Contract conveys the right to control the use of an identified Asset by either of the Parties for a period of time and in exchange for consideration, there arises a Lease Contract. At inception of every Contract, the Corporation examines the existence to the lease elements in a Contract and thereafter carries out appropriate accounting either as Lessor or Lessee.

2.7.1. Lessee

At the commencement of the lease, the Corporation recognises right-of-use asset and lease liability, with an exception of short-term leases or lease of low-value underlying assets. The right-of-use asset is measured at cost, made up of the initial measurement of the lease liability, initial direct costs, an estimate of dismantling cost including removal of the asset at the end of the lease and any lease payments on or before commencement (net of any incentives received) of the lease;

The lease liability is measured at Present Value of the lease payments to be made during the course of the lease by using incremental borrowing rate that prevail at the beginning of each quarterly period for a similar tenure (such as AAA Corporate Bond rates for varying tenures of 5, 10 & 15 years) for all of the contracts executed in that period. The variable lease payments, which do not depend on an index or a rate, are excluded from the measurement of lease liability;

The Corporation has elected not to separate non-lease components in a contract and account as one unified lease contract covering all underlying assets by using the practical expedient prescribed in the Standard;

On re-measurement of lease liability, the right-of-use asset is suitably readjusted unless such readjustment lead to a restatement of carrying value below zero, in which case, the resultant amount is directly routed through Statement of Profit and Loss Account.

2.7.2. Lessor

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. In all other cases, it is treated as operating lease;

The Corporation recognizes assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease;

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.

2.8. Impairment of Non-Financial Assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment;

If there exist any indication of impairment, or during annual impairment testing, the Corporation estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets;

An impairment loss is recognised whenever the carrying amount of asset or assets of cash generating unit (CGU) exceeds their recoverable amount.

2.9. Inventories

2.9.1. Valuation of inventories (including in transit) of different categories is as under: -

- a) Crude oil is valued at cost on First in First Out (FIFO) basis or at net realisable value, whichever is lower. Crude oil is not written down below cost except in cases where their prices have declined subsequently and it is estimated that the cost of the finished goods will exceed their net realisable value;
- b) Raw materials other than 'a)' above are valued at weighted average cost or at net realisable value, whichever is lower;
- c) Stock-in process is valued at raw material cost plus cost of conversion or at net realisable value, whichever is lower;
- d) Empty packages are valued at weighted average cost;
- e) Stores and spares which do not meet the recognition criteria under Property, Plant and Equipment are valued at weighted average cost. Surplus, obsolete and slow moving stores and spares, if any, are valued at cost or net realizable value whichever is lower. Surplus items, when transferred from completed projects are valued at cost / estimated value, pending periodic assessment / ascertainment of condition. Stores and Spares in transit are valued at cost;
- f) Finished products other than Lubricants are valued at cost (on FIFO basis month-wise) or at net realisable value, whichever is lower;
- g) Finished products (lubricants) are valued at weighted average cost or at net realisable value, whichever is lower;

2.9.2. Customs duty on Raw materials/Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee;

2.9.3. Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on applicable duty;

2.9.4. The net realisable value of finished goods and stock in trade are final selling prices for sales to oil marketing companies and depot prices applicable to the locations. For the purpose of inventory valuation, the proportion of sales to oil marketing companies and consumer sales are determined on location wise and product wise sales of subsequent period.

2.10. Revenue recognition

2.10.1. Sale of goods

Revenue is recognised when:

- a) the Corporation satisfies a performance obligation by transferring control of a promised goods / services to a customer;
- b) Transaction price is allocated on each performance obligation and is recognised as and when the particular performance obligation is satisfied either at a point in time or over a period of time;
- c) The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer including excise duties, as applicable and is measured at the fair value of the consideration received or receivable, net of returns, taxes or duties collected on behalf of the government and trade discounts or rebates, as applicable;
- d) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Revenue is allocated between Loyalty Programs and other components of the sale. The amount allocated to the Loyalty Program is deferred, and is recognised as Revenue when the Corporation has fulfilled its obligation to supply the products under the terms of the Program or when it is no longer probable that the points under the Program will be redeemed.

Where the Corporation acts as an agent on behalf of a third party, the associated Revenue is recognised on a net basis;

Claims, including subsidy on Liquefied Petroleum Gas (LPG) and Superior Kerosene Oil (SKO), from Government of India, are booked on in-principle acceptance thereof on the basis of available instructions / clarifications, subject to final adjustments as stipulated.

2.10.2. Interest income is recognised taking into account the amount outstanding and the applicable effective interest rate;

2.10.3. Dividend is recognised when right to receive the payment is established;

2.10.4. Income from sale of scrap is accounted for on realization.

2.11. Accounting / classification of expenditure and income

2.11.1. Income / expenditure in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively;

2.11.2. Prepaid expenses upto threshold limit in each case, are charged to revenue as and when incurred;

2.11.3. Insurance claims are accounted on acceptance basis;

2.11.4. All other claims / entitlements are accounted on the merits of each case;

2.11.5. Raw materials consumed are net of discount towards sharing of under-recoveries.

2.12. Employee benefits

2.12.1. Short-term employee benefit

Short term employee benefits are recognized as an expense at undiscounted amount in the Statement of Profit & Loss of the year in which the related services are rendered by the employees;

2.12.2. Post-employment benefits

Defined Contribution Plans:

Obligations for contributions to defined contribution plans are expensed in the Statement of Profit & Loss of the year in which the related services are rendered by the employees;

Defined Benefit Plans:

Post-employment benefits

Liability towards defined employee benefits (gratuity, pension, post – retirement medical benefits, ex-gratia and resettlement allowance) are determined on actuarial valuation by independent actuaries at the year-end by using Projected Unit Credit method;

Re-measurements of the net defined benefit liability, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income;

Other long-term employee benefits

Liability towards other long term employee benefits (leave encashment, long service awards, provident fund contribution to trust and death benefits) are determined on actuarial valuation by independent actuaries using Projected Unit Credit method;

Re-measurements gains and losses are recognized in the Statement of Profit and Loss in the period in which they arise;

Prepaid contributions are recognized as an asset to the extent that a cash refund or a set-off in future payments is available.

2.12.3. Termination benefits

Expenditure on account of Voluntary Retirement Schemes, are charged to Statement of Profit & Loss, as and when incurred.

2.13. Foreign currency transactions

2.13.1. Monetary items

Transactions in foreign currencies are initially recorded at the respective exchange rates prevailing at the date of transaction;

Monetary assets and liabilities denominated in foreign currencies are translated at spot rates of exchange at the reporting date;

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognised in Statement of Profit and Loss either as 'Exchange Rate Variation' or as 'finance costs' (to the extent regarded as an adjustment to borrowing costs), as the case maybe; In case of long term foreign currency monetary items outstanding as of 31st March 2016, foreign exchange differences arising on settlement or translation of long term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in case of other long term foreign currency monetary items, if any, accumulated in 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the balance period of the asset / liability.

2.13.2. **Non – Monetary items**

Non-monetary items, other than those measured at fair value, denominated in foreign currency, are valued at the exchange rate prevailing on the date of transaction.

2.14. **Investment in Subsidiary, associates and joint ventures**

Investments in equity shares of Subsidiaries, Joint Ventures & Associates are recorded at cost and reviewed for impairment at each reporting date;

The Corporation has chosen the carrying value of the investment in Subsidiaries, associates and joint ventures existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April 2015 as deemed cost.

2.15. **Government Grants**

2.15.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with;

2.15.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed;

2.15.3. When the grant relates to property, plant and equipment, the cost of property, plant and equipment is shown at gross value and grant thereon is treated as liability (deferred income) and are credited to statement of profit and loss on a systematic basis over the useful life of the asset.

2.16. **Exploration and Production expenditure**

"Successful Efforts Method" of accounting is followed for Oil & Gas exploration and production activities as stated below:

2.16.1. Cost of surveys, studies, carrying and retaining undeveloped properties are expensed out in the year of incurrence;

2.16.2. Cost of acquisition, drilling and development are treated as Capital Work-in-Progress when incurred and are capitalised when the well is ready to commence commercial production;

2.16.3. Accumulated costs on exploratory wells in progress are expensed out in the year in which these are determined to be dry or are of no further use, as the case may be;

2.16.4. The proportionate share in the assets, liabilities, income and expenditure of joint operations are accounted as per the participating interest in such joint operations.

2.17. **Provisions and contingent liabilities**

2.17.1. Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation;

2.17.2. If the effect of the time value of money is material, provisions are discounted using an appropriate discount rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost;

2.17.3. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Corporation, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability;

2.17.4. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote;

2.17.5. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit;

2.17.6. Contingent Liabilities are considered only when show-cause notice is converted into demand.

2.18. **Fair value measurement**

2.18.1. Fair value is the price that would be received/ paid to sell an asset or to transfer a liability, as the case may be, in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Corporation has access at that date. The fair value of a liability also reflects its non-performance risk;

2.18.2. While measuring the fair value of an asset or liability, the Corporation uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

Financial Instruments

2.19. Financial Assets

2.19.1. Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

2.19.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Corporation classifies financial assets (other than equity instruments) as under:

- (a) subsequently measured at amortised cost;
- (b) fair value through other comprehensive income; or
- (c) fair value through profit or loss

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial recognition, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method and such amortization is recognised in the Statement of Profit and Loss.

Debt instruments at Fair value through profit and loss (FVTPL)

Fair value through profit and loss is a residual category for measurement of debt instruments.

After initial measurement, any fair value changes including any interest income, impairment loss and other net gains and losses are recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Corporation decides to classify the same either as at FVOCI or FVTPL. The Corporation makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable;

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI);

Equity instruments included within the FVTPL category are measured at fair value with all fair value changes being recognized in the Statement of Profit and Loss.

**2.19.3. Impairment of financial assets**

In accordance with Ind-AS 109, the Corporation applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost;

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date.

2.20. Financial Liabilities**2.20.1. Initial recognition and measurement**

All financial liabilities (not measured subsequently at fair value through profit or loss) are recognised initially at fair value net of transaction costs that are directly attributable to the respective financial liabilities.

2.20.2. Subsequent measurement

The Corporation classifies all financial liabilities as subsequently measured at amortised cost by using the Effective Interest Rate Method ("EIR") and such amortisation is recognised in the Statement of Profit and Loss.

2.20.3. Derecognition

A Financial Liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

2.21. Financial guarantees

Financial guarantee contracts are recognised initially at fair value. Subsequently on each reporting date, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

2.22. Derivative financial instruments

The Corporation uses derivative financial instruments, such as forward contracts, interest rate swaps to mitigate its foreign currency risk, interest risk and commodity price risk arising out of highly probable forecast transactions and are presented in Financial Statements, either as Financial Assets or Financial liabilities as the case may be.

2.22.1. Derivatives Contracts designated as hedging instruments

Wherever Hedge Accounting is undertaken, at the inception of a hedge relationship, the Corporation formally designates and documents a) the hedge relationship to which it wishes to apply hedge accounting and b) the risk management objective and strategy. In such cases, the derivative financial instruments are recognized at fair value with due assessment to effectiveness of the hedge instrument. By following Cash Flow Hedges, the effective portion of changes in the fair value is recognized in Other Comprehensive Income (OCI) and accumulated under Cash Flow Hedge Reserve within Other Equity whereas the ineffective portion, if any, is recognized immediately in the Statement of Profit and Loss and presented under Other Income or Other Expenses, as the case may be. The effective portion, previously recognized in OCI and accumulated as Cash Flow Hedge Reserve is reclassified to the Statement of Profit and Loss in the subsequent period, during which, the hedged expected future cash flows affect profit or loss and further guided to the same line item to which the underlying is accounted. Further, in case of previously recognized forecasted transaction, upon the knowledge of its non-occurrence, the effective portion of cumulative gain or loss is forthwith recognized by transferring from Cash Flow Hedge Reserve to the Statement of Profit and Loss. If the amount accumulated in Cash Flow Hedge Reserve is a loss and Corporation expects that all or a portion of that loss will not be recovered in one or more future period, the Corporation immediately reclassifies the amount that is not expected to be recovered into profit or loss as a reclassification adjustment. The hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

2.22.2. Derivatives Contracts not designated as hedging instruments

The derivative financial instruments are accounted at fair value through Profit or Loss and presented under Other Income or Other Expenses, as the case may be.

2.23. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.24. Taxes on Income**2.24.1. Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961;**

- 2.24.2. Deferred tax liability/asset on account of temporary difference is recognised using tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date;
- 2.24.3. Deferred tax assets are recognised and carried forward for all deductible temporary differences only to the extent that it is probable that taxable profit will be available in future against which the deductible temporary difference can be utilized;
- 2.24.4. The carrying amount of deferred tax assets/Liabilities is reviewed at each Balance Sheet date;
- 2.24.5. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, is considered as an asset when it is probable that the future economic benefits associated with it, will flow to the Corporation.

2.25. Earnings per share

- 2.25.1. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period;
- 2.25.2. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

2.26. Cash and Cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.27. Cash Flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated. For the purpose of the Statement of Cash Flows, cash and cash equivalent consist of cash, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Corporation's cash management.

2.28. Dividend

The Company recognises a liability to make cash distributions to equity holders of the Corporation when the distribution is authorised and the distribution is no longer at the discretion of the Corporation. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in other equity.

2.29. Business combination

The acquisition method of accounting is used to account for business combination by the Group. In this method, acquiree's identifiable assets, liabilities and contingent liabilities that meet condition for recognition are recognized at their fair values at the acquisition date. Non-controlling interest is measured at proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired. The transaction costs incurred in connection with business combination are recognised in the consolidated statement of profit and loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed off.



3. Property, Plant and Equipments

The following are the carrying values of Property, Plant & Equipments:

(₹ / Crore)											
Particulars	Land - Freehold	Right-of-Use Assets #	Buildings	Plant & Equipment	Furniture & Fixtures	Transport Equipment	Office Equipment	Roads and Culverts	Railway Siding & Rolling Stock	E&P Assets	Total
Gross Block											
As on 01.04.2021	1,111.65	4,220.54	7,401.48	45,433.79	295.55	165.03	3,896.04	3,681.84	516.58	658.61	67,381.11
Additions	142.62	1,015.60	740.77	8,278.41	39.18	8.33	600.39	496.84	79.19	38.45	11,439.78
Deductions/ Reclassifications	6.38	234.38	19.47	555.68	14.73	0.51	28.84	0.21	0.03	14.54	874.77
As on 31.03.2022	1,247.89	5,001.76	8,122.78	53,156.52	320.00	172.85	4,467.59	4,178.47	595.74	682.52	77,946.12
Depreciation/ Amortisation											
As on 01.04.2021	-	375.39	948.16	11,088.26	127.57	76.25	2,051.67	2,041.30	154.68	567.25	17,430.53
For the year	-	254.89	208.71	2,589.58	29.75	16.30	468.85	371.52	39.54	(1.16)	3,977.98
Deductions/ Reclassifications	-	51.31	3.11	371.13	6.72	0.21	25.92	1.44	-	(15.28)	444.56
As on 31.03.2022	-	578.97	1,153.76	13,306.71	150.60	92.34	2,494.60	2,411.38	194.22	581.37	20,963.95
Net Block as on 01.04.2021	1,111.65	3,845.15	6,453.32	34,345.53	167.98	88.78	1,844.37	1,640.54	361.90	91.36	49,950.58
Net Block as on 31.03.2022	1,247.89	4,422.79	6,969.02	39,849.81	169.40	80.51	1,972.99	1,767.09	401.52	101.15	56,982.17

refer note 43

Notes:

- Includes assets costing ₹ 0.007 Crore (31.03.2021 : ₹ 0.007 Crore) of erstwhile Kosan Gas Company that have not been handed over to the Corporation. Though Kosan Gas Company was to give up their claim, in view of the tenancy right sought by third party, the matter is under litigation.
- Includes ₹ 1049.3 Crore (31.03.2021: ₹ 806.09 Crore) towards Land, Building, Plant & Equipment, Furniture & Fixtures, Transport equipments, Office Equipments, Pipelines, Railway Sidings, etc. representing Corporation's Share of Assets, jointly owned with other Companies.
- Includes ₹ 32.25 Crore (31.03.2021 : ₹ 32.35 Crore) towards Roads & Culverts, Transformers & Transmission lines, Railway Sidings & Rolling Stock for which though ownership does not vest with the Corporation, operational control over such assets is exercised. These assets are amortized as per useful life specified in Schedule II of Companies Act, 2013.
- a) Includes following assets used for distribution of PDS Kerosene under Jana Kalyan Pariyojana against which financial assistance had been provided by Oil Industry Development Board:

Description	Original Cost (₹ / Crore)	
	31.03.2022	31.03.2021
Roads & culverts	0.12	0.13
Buildings	1.58	1.58
Plant & Equipment	2.03	2.07
Office Equipment	0.00	0.00
Total	3.73	3.78

- Includes following assets held under PAHAL (DBTL) scheme against which financial assistance had been provided by Ministry of Petroleum & Natural Gas, Government of India:

Description	Original Cost (₹ / Crore)	
	31.03.2022	31.03.2021
Computer Software	7.49	7.49
Computers/ End use devices	5.65	5.65
Office Equipment	0.01	0.01
Automation, Servers & Networks	1.55	1.55
Total	14.70	14.70

5. Assets held for sale consists of items such as Plant and equipment, office equipment, transport equipment, buildings, furnitures and fixtures and roads and culverts which have been identified for disposal due to replacement/ obsolescence of assets which happens in the normal course of business. These assets are expected to be disposed off within the next twelve months. On account of classification of these assets as 'Asset held for sale', a loss of ₹ 92.2 Crore during the year (2020-21: ₹ 13.92 Crore) has been recognised in the statement of profit and loss.
6. Includes Right of Use Assets having Gross value ₹ 92.43 Crore (31.03.2021: ₹ 19.38 Crore) for land acquired on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB), that has not been amortized over the period of lease in view of freehold title that would vest upon fulfilment of certain terms and conditions, as per allotment letter.
7. Includes adjustment to Cost of Assets pursuant to exchange differences arising on long term foreign currency monetary items of ₹ Nil Crore during 2021-22 (2020-21: ₹ -70.21 Crore), which, in accordance with Para 7AA of Ind AS 21 read with Para D13AA of Ind AS 101 and Foreign Exchange Translations pursuant to consolidation of subsidiaries, are capitalized and depreciated over the balance useful life of the assets.
8. The Group has considered pipeline assets laid within the boundary limit of its premises as integral part of Tanks / Other Plant and Machinery and have been depreciating such assets based on the useful life of associated Plant & Equipment, in line with the Schedule II of the Companies Act, 2013.
9. Includes assets of ₹ 1.00 Crore (31.03.2021: ₹ 1.03 Crore) forming part of Plant & Equipment, Buildings & Roads & Culverts, wherein though Infrastructure Facilities were provided at Railway Premises, no sales transactions were entered into during current financial year.
10. The process of capitalization in respect of Property, Plant and Equipment including accounting of Capital Work-in-Progress is under continuous review and updation, wherever required, is being carried out on a regular basis.
11. In the nature of business carried out by the Group, there are certain leasehold immovable properties, which are under its continuous possession, control and use over the period, the lease agreement of which have expired. Pending renewal of such leases, these have not been recognized as Right of Use Assets.
12. In respect of HPCL LNG Limited, all the property, plant and equipment has been offered as a security for Long term loan (raised by the Company during the year) at the balance sheet date, representing a net block of ₹ 99.81 Crore as on 31.03.2022.

4. Capital Work-in-Progress (CWIP)

	(₹ / Crore)	
	31.03.2022	31.03.2021
Unallocated Capital Expenditure and Materials at Site	25,137.60	22,162.58
Capital Stores lying with Contractors	866.56	954.45
Capital goods in transit	7.84	0.13
A	26,012.00	23,117.16
Construction period expenses pending apportionment (Net of recovery):		
Opening balance	2,011.47	1,239.68
Add: Expenditure during the year		
Establishment charges including Salaries & Wages	178.16	153.70
Interest	1,215.72	717.21
Loss / (gain) on foreign currency transactions and translations	-	(70.21)
Others	12.35	4.81
	3,417.70	2,045.19
Less: Allocated to assets capitalised during the year	784.61	33.72
Closing balance pending allocation	2,633.09	2,011.47
A + B	28,645.09	25,128.63

4.1. Refer Note 21.2 & 21.3

4.2. Capital Work-in-Progress ageing schedule

(₹ / Crore)

	31.03.2022	31.03.2021
Projects in Progress		
Less than 1 year	9,795.65	9,458.80
1 to 2 years	7,468.15	10,718.55
2 to 3 years	8,118.15	4,253.68
More than 3 years	3,253.83	672.88
Projects temporarily suspended		
Less than 1 year	-	-
1 to 2 years	1.51	3.17
2 to 3 years	0.55	4.59
More than 3 years	7.24	16.95
	28,645.09	25,128.63

Note: Ageing is determined by following the premise that the earliest expenditure qualifies foremost in the sequencing of capitalization.

4.3. Capital Work-in progress completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan as on 31st March, 2022

(₹ / Crore)

CWIP	To be completed in			
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years
Projects in Progress				
Visakh Refinery Modernization project	18,107.53	-	-	-
Vijayawada Dharmapuri Pipeline	2,400.85	-	-	-
2G Biorefinery at Bathinda	327.59	-	-	-
CB-220 KV Grid supply facility	252.68	-	-	-
New LPG Plant at Patalaganga	173.53	-	-	-
Sulphur forming unit in Sulphur Recovery Unit	134.04	-	-	-
New LPG Plant at Barhi	126.76	-	-	-
Sea water reverse osmosis-II with low level pump house facilities	110.99	-	-	-
Vacuum Pressure Swing Adsorption in Sulphur Recovery Unit	103.33	-	-	-
Two Crude tanks	94.62	-	-	-
Phase II Facilities of R&D	87.32	-	-	-
Office Premises at Delhi	87.27	-	-	-
Mumbai Refinery Expansion Project	38.19	-	-	-
Other Projects*	861.31	11.43	0.50	-
Projects temporarily Suspended				
Aggregate of various projects	9.30	-	-	-

*Covering project cost > ₹ 100 Crore subject to open CWIP as of 31.03.2022 < ₹ 25 Crore and others involving project cost ≤ ₹ 100 Crore.

Capital Work-in progress completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan as on 31st March, 2021

(₹ / Crore)

CWIP	To be completed in			
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years
Projects in Progress				
Visakh Refinery Modernization project	11,605.33	1,948.09	-	-
Mumbai Refinery Expansion Project	4,341.52	-	-	-
Vijayawada Dharmapuri Pipeline	-	1,940.20	-	-
CB-220 KV Grid supply facility	199.17	-	-	-
Phase II Facilities of R&D	182.41	-	-	-
Sea water reverse osmosis-II with low level pump house facilities	92.38	-	-	-
New LPG Plant at Gonda, U.P	87.17	-	-	-
Depot at Hissar	81.07	-	-	-
New LPG Plant at Patalaganga	75.12	-	-	-
New LPG Plant at Barhi	56.97	-	-	-
Office Premises at Delhi	39.56	-	-	-
HP Green R&D Centre Infra Augmentation	34.30	-	-	-
Other Projects*	888.17	144.39	-	-
Projects temporarily Suspended				
Aggregate of various projects	14.64	10.07	-	-

*Covering project cost > ₹ 100 Crore subject to open CWIP as of 31.03.2021 < ₹ 25 Crore and others involving project cost ≤ ₹ 100 Crore.

5. Goodwill on Consolidation

(₹ / Crore)

		31.03.2022	31.03.2021
Cost or deemed cost			
Opening Balance		321.62	16.70
Additions during the year (refer Note 1.3.3)		-	304.92
Effect of exchange difference		-	-
Total	A	321.62	321.62
Less: Accumulated Impairment			
Opening Balance		-	-
Additions during the year		-	-
Effect of exchange difference		-	-
Total	B	-	-
Carrying amount of goodwill on consolidation	A - B	321.62	321.62

5A. Intangible Assets

The following are the carrying values of Intangible Assets:

(₹ / Crore)

Particulars	Right of Way	Technical / Process Licenses	Software	Wind Energy	Total
Gross Block					
As on 01.04.2021	471.06	67.37	124.31	188.85	851.59
Additions	136.41	65.65	17.17	9.23	228.46
Deductions/ Reclassifications	-	-	0.80	4.79	5.59
As on 31.03.2022	607.47	133.02	140.68	193.29	1,074.46
Depreciation/ Amortisation					
As on 01.04.2021	0.33	49.12	100.61	61.82	211.88
For the year	2.84	13.57	15.89	10.43	42.73
Deductions/ Reclassifications	0.01	-	0.80	1.65	2.46
As on 31.03.2022	3.16	62.69	115.70	70.60	252.15
Net Block as on 01.04.2021	470.73	18.25	23.70	127.03	639.71
Net Block as on 31.03.2022	604.31	70.33	24.98	122.69	822.31

Note:

- (1) Includes ₹ 79.51 Crore (31.03.2021: ₹ 77.14 Crore) towards Right of Way representing Group's Share of Assets, jointly owned with other Companies.
- (2) In respect of HPCL LNG Limited, all the intangible assets have been offered as a security for Long term loan (raised by the Company during the year) at the balance sheet date, representing a net block of ₹ 0.01 Crore.

**5B. Intangible Assets under development (IAUD)**

	(₹ / Crore)	
	31.03.2022	31.03.2021
Opening balance	207.40	122.42
Add: Expenditure during the year		
Expenditure on Intangible asset	89.94	69.61
Establishment charges including Salaries and Wages	20.40	13.94
Interest	10.47	2.25
Loss / (gain) on foreign currency transactions and translations	0.95	-
Others	-	(0.82)
	329.16	207.40
Less: Capitalised/Charged to Statement of Profit & Loss during the year	67.01	-
Closing balance	262.15	207.40

5B.1. Intangible Assets under development ageing schedule

	(₹ / Crore)	
	31.03.2022	31.03.2021
Projects in progress		
Less than 1 year	96.36	82.87
1 to 2 years	74.09	52.52
2 to 3 years	25.25	28.06
More than 3 years	66.45	42.59
Projects temporarily suspended		
Less than 1 year	-	-
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	-	1.36
	262.15	207.40

5B.2. Intangible Assets under development completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan as on 31st March, 2022

IAUD	To be completed in			
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years
Projects in Progress				
Process licenses for Visakh Refinery Modernization Project	86.77	-	-	-
Projects temporarily Suspended	-	-	-	-

Intangible Assets under development completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan as on 31st March, 2021

IAUD	To be completed in			
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years
Projects in Progress				
Process licenses for Visakh Refinery Modernization Project	18.18	27.04	-	-
Process licenses Mumbai Refinery Expansion Project	50.60	-	-	-
Projects temporarily Suspended	-	-	-	-

6. Investments in Joint Ventures and Associates

	(₹ / Crore)	
	31.03.2022	31.03.2021
Investments in Equity Instruments		
Associates		
Quoted		
Mangalore Refinery and Petrochemicals Limited		
29,71,53,518 (31.03.2021 : 29,71,53,518) Equity Shares of ₹ 10 each fully paid up	1,205.94	662.04
Un - Quoted		
GSPL India Transco Limited		
6,67,70,000 (31.03.2021: 6,40,20,000) Equity Shares of ₹ 10 each fully paid up	38.59	52.94
GSPL India Gasnet Limited		
20,81,22,128 (31.03.2021: 17,51,22,128) Equity Shares of ₹ 10 each fully paid up	211.68	170.60
Joint Ventures		
Un - Quoted		
HPCL Rajasthan Refinery Limited (refer Note 6.1)		
4,26,61,37,000 (31.03.2021 :1,79,82,37,000) Equity Shares of ₹ 10 each fully paid-up	4,178.60	1,727.25
HPCL-Mittal Energy Limited (refer Note 6.1)		
3,93,95,55,200 (31.03.2021 : 3,93,95,55,200) Equity Shares of ₹ 10 each fully paid up	5,480.00	5,129.42
Hindustan Colas Private Limited		
47,25,000 (31.03.2021 : 47,25,000) Equity Shares of ₹ 10 each fully paid up	220.15	212.50
Petronet India Limited (refer Note 6.2)		
1,60,00,000 (31.03.2021 :1,60,00,000) Equity Shares of ₹ 0.10 each fully paid up	0.44	0.43
Petronet MHB Limited		
27,43,33,672 (31.03.2021 :27,43,33,672) Equity Shares of ₹ 10 each fully paid up	325.11	338.87
South Asia LPG Company Private Limited		
5,00,00,000 (31.03.2021 : 5,00,00,000) Equity Shares of ₹ 10 each fully paid up	90.74	110.34
Bhagyanagar Gas Limited		
4,36,50,000 (31.03.2021 : 4,36,50,000) Equity Shares of ₹ 10 each fully paid up	196.22	174.62



	(₹ / Crore)	
	31.03.2022	31.03.2021
Aavantika Gas Limited		
2,95,57,038 (31.03.2021: 2,95,57,038) Equity Shares of ₹ 10 each fully paid up	165.75	137.13
Mumbai Aviation Fuel Farm Facility Private Limited		
5,29,18,750 (31.03.2021 :4,82,88,750) Equity Shares of ₹ 10 each fully paid up	94.47	87.44
Godavari Gas Private Limited		
2,31,28,899 (31.03.2021: 1,60,74,643) Equity Shares of ₹ 10 each fully paid up	20.68	13.70
Ratnagiri Refinery & Petrochemical Limited		
5,00,00,000 (31.03.2021: 5,00,00,000) Equity shares of ₹ 10 each fully paid up	29.71	31.91
HPOIL Gas Private Limited		
7,25,00,000 (31.03.2021 : 7,25,00,000) Equity shares of ₹ 10 each fully paid up	68.23	69.94
IHB Limited		
51,45,00,000 (31.03.2021 : 41,45,00,000) Equity shares of ₹ 10 each fully paid up	513.96	414.75
	12,840.27	9,333.88

	(₹ / Crore)	
	31.03.2022	31.03.2021
Disclosure towards Cost / Market Value		
a Aggregate amount of Quoted Investments (Market Value)	1,236.16	1,152.96
b Aggregate amount of Quoted Investments (Cost)	471.68	471.68
c Aggregate amount of Unquoted Investments (Cost)	9,796.11	7,180.77

6.1. As per the guidelines issued by Department of Public Enterprises (DPE) in August 2005, the Board of Directors of Navratna Public Sector Enterprises (PSEs) can invest in joint ventures and wholly owned subsidiaries subject to an overall ceiling of 30% of the net worth of the PSE. The Corporation has requested Ministry of Petroleum & Natural Gas (MOP&NG) to confirm its understanding that for calculating this ceiling limit, the amount of investments specifically approved by Government of India (i.e. investment in HPCL Mittal Energy Limited (HMEL) and HPCL Rajasthan Refinery Limited (HRRL) are to be excluded. The Corporation has calculated the limit of 30% investment in joint ventures and wholly owned subsidiaries, by excluding these investments. As per financial position as on March 31, 2022, the investments in joint ventures and wholly owned subsidiaries are well within the said 30% limit.

6.2. Petronet India Limited is in the process of Voluntary winding up w.e.f. August 30, 2018.

7. Other Investments

	(₹ / Crore)	
	31.03.2022	31.03.2021
Investment in equity instruments carried at fair value through other comprehensive income		
Quoted		
Oil India Limited (refer Note 7.1) 2,67,50,550 (31.03.2021 : 2,67,50,550) Equity Shares of ₹ 10 each fully paid up	637.73	328.10
Scooters India Limited (refer Note 7.1) 10,000 (31.03.2021:10,000) Equity Shares of ₹ 10 each fully paid up	0.03	0.04
Investment in equity instruments carried at fair value through profit or loss		
Un - Quoted		
Woodlands Multispecialty Hospital Limited of face value of ₹ 0.21 lakhs 2,110 (31.03.2021:2,110) Equity shares of ₹ 10 each fully paid	0.00	0.00
Shushrusha Citizen Co-operative Hospital Limited of the face value of ₹ 0.10 lakhs 100 (31.03.2021: 100) Equity Shares of ₹ 100/- each fully paid	0.00	0.00
Total Investments in Equity Instruments	637.76	328.14
Investments in Preference Shares carried at fair value through profit or loss		
Others		
Un - Quoted		
Compulsorily convertible preference shares in 21 (31.03.2021: 20) Start-Up companies (refer Note 7.2)	17.80	13.82
Total Investments in Preference Shares	17.80	13.82
	655.56	341.96

7.1. The Group intends to hold these Investments for long term strategic purposes and accordingly designated them at fair value through Other Comprehensive Income. No strategic investments were disposed off during the financial year.

7.2. In view that these start-ups are in the stage of their development and are mostly in traction and refinement stages, the carrying value of these start-ups is considered as a reasonable approximation of their fair value.

	(₹ / Crore)	
	31.03.2022	31.03.2021
Disclosures towards Cost / Market Value / Impairment		
a Aggregate amount of Quoted Investments (Market Value)	637.76	328.14
b Aggregate amount of Quoted Investments (Cost)	561.77	561.77
c Aggregate amount of Unquoted Investments (Cost)	17.80	13.82
d Aggregate amount of Provision for Impairment	-	-

8. Loans

	(₹ / Crore)	
	31.03.2022	31.03.2021
Secured		
Employee loans and advances and Interest thereon, considered good	380.79	368.03
Unsecured		
Other Loans		
Loan Receivables - considered good (refer Note 8.1)	611.41	776.86
Loan Receivables which have significant increase in credit risk (refer Note 8.1)	18.05	161.37
Loan Receivables - credit impaired (refer Note 8.1)	18.02	90.69
Less: Loss allowance (refer Note 8.2)	102.38	550.71
	925.89	846.24

8.1. Includes Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers ₹ 562.42 Crore (31.03.2021: ₹ 963.05 Crore) (refer Note 56).

8.2. Towards Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers (refer Note 56).



9. Other Financial Assets

	(₹ / Crore)	
	31.03.2022	31.03.2021
Security Deposits	135.00	132.97
Share application money pending allotment	1.29	8.33
Bank Deposit with more than 12 months maturity (refer Note 9.1)	8.29	7.09
Lease Receivables	0.97	0.97
	145.55	149.36

9.1. Earmarked with various authorities.

10. Other Non-Current Assets

	(₹ / Crore)	
	31.03.2022	31.03.2021
Balances with Excise, Customs, etc. (refer Note 10.1)	778.05	600.82
Less: Provision for doubtful claims (refer Note 10.1)	22.30	22.30
Deposits	139.90	93.66
Advance tax (net of provisions)	1,438.98	1,260.72
Capital advances	215.24	400.08
Advance to Employee's Benefit Trust (refer Note 63)	349.24	243.00
Less: Provision for doubtful receivables (refer Note 63)	154.23	170.10
Prepaid Employee Cost	168.39	168.60
Prepaid Lease Rental	1.11	0.30
Others Prepaid Expenses	363.35	494.65
	3,277.73	3,069.43

10.1. Includes an amount of ₹ 58.26 Crore (31.03.2021: ₹ 58.26 Crore) net of provision of ₹ 22.30 Crore (31.03.2021: ₹ 22.30 Crore) carried as receivable towards Customs Duty refund claims, filed relating to the periods 1992-97 to 2020-21. As per the assessment made by the management, though partially provided to account for afflux of time, the refund is legally tenable, management is continuing to pursue the matter with Authorities for early settlement of these claims.

11. Inventories

	(₹ / Crore)	
	31.03.2022	31.03.2021
Raw materials (Including in transit 31.03.2022: ₹ 4,893.55 Crore; 31.03.2021: ₹ 993.50 Crore)	9,922.30	3,906.20
Work-in-progress	1,995.51	1,026.65
Finished goods (Including in transit 31.03.2022 : ₹ 151.29 Crore ; 31.03.2021 : ₹ 200.87 Crore)	9,788.75	8,817.05
Stock-in-trade (Including in transit 31.03.2022 : ₹ 1,713.41 Crore ; 31.03.2021 : ₹ 1,547.00 Crore)	13,202.33	14,517.01
Stores and spares (Including in transit 31.03.2022 : ₹ 1.22 Crore ; 31.03.2021 : ₹ 24.06 Crore)	610.92	502.62
Less : Provision for Stores and Spares	47.11	54.02
Packages	42.01	48.39
	35,514.71	28,763.90

11.1. The write-down net of reversals, if any, of Inventories to net realisable value during the financial year amounted to ₹ 1,891.92 Crore (31.03.2021 : ₹ 122.24 Crore). The write downs and reversal are included in cost of materials consumed, changes in Inventories of finished goods, stock-in-trade and work in progress.

11.2. Inventories are hypothecated in favour of banks on pari passu basis as a security for availment of Cash Credit facility.

12. Investments

	(₹ / Crore)	
	31.03.2022	31.03.2021
Investments carried at fair value through profit or loss		
Quoted - Government Securities		
6.90% Oil Marketing Companies' GOI Special Bonds, 2026 17,36,36,000 (31.03.2021:17,36,36,000) Bonds of ₹ 100 each face value	1,780.91	1,794.07
8.00% Oil Marketing Companies' GOI Special Bonds, 2026 24,41,000 (31.03.2021:24,41,000) Bonds of ₹ 100 each face value	25.97	26.37
8.20% Oil Marketing Companies' GOI Special Bonds, 2024 1,23,49,000 (31.03.2021:1,23,49,000) Bonds of ₹ 100 each face value	131.08	133.47
6.35% Oil Marketing Companies' GOI Special Bonds, 2024 18,32,33,000 (31.03.2021:18,32,33,000) Bonds of ₹ 100 each face value	1,864.45	1,870.31
7.59% Government of India, G - Sec Bonds, 2026 1,85,00,000 (31.03.2021: 1,85,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	194.70	197.47
7.72% Government of India, G - Sec Bonds, 2025 8,36,00,000 (31.03.2021: 8,36,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	884.49	897.03
8.33% Government of India, G - Sec Bonds, 2026 1,80,00,000 (31.03.2021: 1,80,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	193.88	197.46
8.15% Government of India, G - Sec Bonds, 2026 2,75,00,000 (31.03.2021: 2,75,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	296.04	301.40
	5,371.52	5,417.58

12.1. 7.59%, 7.72%, 8.33%, 8.15% G - Sec Bonds having face value aggregating to ₹ 1,476 Crore (31.03.2021: ₹ 1,476 Crore) have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.

	(₹ / Crore)	
	31.03.2022	31.03.2021
Disclosure towards Cost / Market Value / Impairment		
a Aggregate amount of Quoted Investments (Market Value)	5,371.52	5,417.58
b Aggregate amount of Quoted Investments (Cost)	5,267.26	5,267.26
c Aggregate amount of Unquoted Investments (Cost)	-	-
d Aggregate amount of Provision for impairment	-	-

13. Trade Receivables

	(₹ / Crore)	
	31.03.2022	31.03.2021
Unsecured		
Considered good	6,375.23	6,221.00
Which have significant increase in credit risk	-	809.77
Credit impaired	137.37	159.36
	6,512.60	7,190.13
Less: Loss allowance (refer Note 13.1)	172.29	320.14
	6,340.31	6,869.99

13.1. Includes ₹ 137.37 Crore (31.03.2021 : ₹ 303.62 Crore) on trade receivables of ₹ 137.37 Crore (31.03.2021 : ₹ 969.13 Crore) for which the credit risk has been assessed on an individual basis.

**13.2. Trade Receivables Ageing Schedule:**

(₹ / Crore)

Particulars	31.03.2022		31.03.2021	
	Undisputed	Disputed	Undisputed	Disputed
(i) Considered good				
Unbilled	4.84	-	15.27	-
Not Due	3,553.20	0.05	2,240.09	3.38
Less than 6 months	2,604.46	12.57	3,858.49	13.57
6 months to 1 year	17.34	28.12	7.83	24.16
1 to 2 years	29.08	36.65	6.88	31.30
2 to 3 years	36.83	34.22	3.85	1.42
More than 3 years	4.26	13.60	1.95	12.80
(ii) Which have significant increase in credit risk				
Unbilled	-	-	-	-
Not Due	-	-	166.43	-
Less than 6 months	-	-	101.95	-
6 months to 1 year	-	-	248.78	-
1 to 2 years	-	-	276.91	-
2 to 3 years	-	-	15.71	-
More than 3 years	-	-	-	-
(iii) Credit impaired				
Unbilled	-	-	-	-
Not Due	-	-	-	-
Less than 6 months	0.74	-	2.30	-
6 months to 1 year	1.00	-	0.11	0.03
1 to 2 years	0.20	0.03	0.54	0.99
2 to 3 years	1.24	0.75	0.81	0.16
More than 3 years	81.60	51.82	108.14	46.28
	6,334.79	177.81	7,056.03	134.10

14. Cash and Cash Equivalents

(₹ / Crore)

	31.03.2022	31.03.2021
Balances with Scheduled Banks:		
- on Current Accounts	122.01	365.43
- on Non-Operative Current Accounts	-	0.01
Cash on hand	5.86	4.34
Fixed Deposits with original maturity less than 3 months	105.98	110.60
	233.85	480.38

15. Bank Balances other than cash and cash equivalents

(₹ / Crore)

	31.03.2022	31.03.2021
Earmarked balances with banks for unpaid dividend	23.32	31.64
Earmarked balances with banks for buy-back of shares	-	62.50
Fixed Deposits with 3 - 12 months maturity (refer Note 15.1)	0.80	0.40
	24.12	94.54

15.1. Earmarked with various authorities.

16. Loans

	(₹ / Crore)	
	31.03.2022	31.03.2021
Secured		
Employee loans and advances and Interest thereon, considered good	48.39	52.75
Unsecured		
Other Loans		
Loans Receivable - considered good (refer Note 16.1)	117.36	116.89
Loan Receivables which have significant increase in credit risk (refer Note 16.1)	2.88	15.38
Loan Receivables – credit impaired (refer Note 16.1)	14.87	20.64
Less: Loss allowance (refer Note 16.2)	28.32	79.36
	155.18	126.30

16.1. Includes loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers ₹ 89.65 Crore (31.03.2021: ₹ 117.80 Crore) (refer Note 56).

16.2. Includes Provision towards loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers : ₹ 16.32 Crore (31.03.2021: ₹ 67.36 Crore) (refer Note 56).

17. Other Financial Assets

	(₹ / Crore)	
	31.03.2022	31.03.2021
Margin Money Deposits	64.98	0.03
Amounts recoverable under subsidy schemes	14.89	35.72
Less: Loss allowance	10.47	10.47
Interest accrued on Investments	92.60	112.48
Delayed payment charges receivable from customers	187.88	313.12
Less : Loss allowance	123.91	153.07
Receivables from Government of India		
- Pradhan Mantri Ujjwala Yojana (PMUY) & Direct Benefit Transfer of LPG (DBTL)	103.84	286.82
Balance with Life Insurance Corporation of India towards Employee Leave Encashment	913.85	975.04
Other Receivables (refer Note 17.1)	421.72	368.92
Less : Loss allowance (refer Note 17.1)	157.38	134.14
	1,508.00	1,794.45

17.1. Includes an amount of ₹ 91.58 Crore (2020-21: ₹ 91.58 Crore) towards balance claim pending for settlement from the Government of India in respect of free LPG Cylinders issued to beneficiaries under Pradhan Mantri Garib Kalyan Yojana on which a provision of ₹ 91.58 Crore (2020-21 : ₹ 91.58 Crore) is carried in the books.

18. Other Current Assets

	(₹ / Crore)	
	31.03.2022	31.03.2021
Advance other than Capital Advances	35.82	28.42
Balances with Excise, Customs, etc.	155.49	51.72
Prepaid employee cost	16.62	15.08
Prepaid Lease Rentals	4.12	20.43
Other Prepaid Expenses	206.42	260.65
Other Current Assets	123.18	248.93
	541.65	625.23



19. Equity Share capital

(₹ / Crore)

	31.03.2022	31.03.2021
A. Authorised:		
2,49,92,50,000 (31.03.2021 : 2,49,92,50,000) Equity Shares of ₹ 10/- each	2,499.25	2,499.25
75,000 (31.03.2021: 75,000) Cumulative Redeemable Preference Shares of ₹ 100/- each	0.75	0.75
	2,500.00	2,500.00
B. Issued & Subscribed:		
1,41,92,51,095 (31.03.2021: 1,45,27,23,884) Equity Shares of ₹ 10/- each	1,419.25	1,452.72
C. Fully Paid up:		
1,41,85,48,345 (31.03.2021: 1,45,20,21,134) Equity Shares of ₹ 10/- each	1,418.55	1,452.02
D. Shares Forfeited:		
7,02,750 (31.03.2021: 7,02,750) Shares Forfeited (money received)	0.39	0.39
	1,418.94	1,452.41

E. Reconciliation of number of equity shares

	Number of Shares	
	31.03.2022	31.03.2021
Outstanding at the beginning of the year		
Equity shares allotted as fully paid bonus shares	1,45,20,21,134	1,52,38,22,625
Equity shares extinguished including pending extinguishment bought under shares buy-back program (refer Note 19 H (ii))	-	-
	3,34,72,789	7,18,01,491
Outstanding at the end of the year	1,41,85,48,345	1,45,20,21,134

F. Rights and Restrictions on Equity / Preference Shares

The Corporation has only one class of Equity Shares having a face value of ₹ 10/- per share which are issued and subscribed. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of the winding up, the holders of equity shares will be entitled to receive the remaining assets in proportion to the number of equity shares held by the shareholders and the amount paid up thereon. The Corporation also has 75,000 6% cumulative Redeemable Non-convertible Preference Shares of ₹ 100 /- each as a part of the Authorised Capital, which were issued earlier by the erstwhile ESSO Standard Refining Co. of India Limited (ESRC) . Presently the said Preference Shares stand redeemed.

G. Details of share held by each shareholder, holding more than 5% shares

Name of shareholders	31.03.2022	
	% Holding	No. of Shares
Oil and Natural Gas Corporation Limited	54.90	77,88,45,375

Name of shareholders	31.03.2021	
	% Holding *	No. of Shares
Oil and Natural Gas Corporation Limited	53.64	77,88,45,375

* Calculated considering both shares extinguished and pending extinguishment (refer Note 19 H (ii))

H. In the period of five years immediately preceding 31st March, 2022

- (i) The Corporation had issued Bonus Shares numbering 50,79,40,875/- equity shares (having face value of ₹ 10/- each) during Financial Year 2017-18 in the ratio of 1:2 by capitalization of Reserves.
- (ii) The Board, at its meeting held on November 04, 2020 approved the buyback of fully paid-up equity shares of the face value of ₹ 10/- from the open market through stock exchange mechanism for an aggregate amount not exceeding ₹ 2,500 Crore ("Maximum Buyback Size") and at a price not exceeding ₹ 250 per Equity Share, payable in cash. The shares buy-back program, which commenced on November 17, 2020 has concluded on May 14, 2021. During the buy-back period, a total of 10,52,74,280/- shares, representing 6.91% of paid up Share Capital (prior to commencement of buy-back) having a face value of ₹ 1,05,27,42,800/- have been bought back and extinguished.

(As on March 31, 2021, equity shares numbering 7,18,01,491/-, having a face value of ₹ 71,80,14,910/- were bought back. Of which, in line with SEBI Regulations, 6,79,77,038/- shares had been extinguished till March 31, 2021 and the rest of it on April 20, 2021).

I. Details of shares held by promoters as at

Name of the Promoter	31.03.2022		
	No. of Shares	% of total Shares	% Change during the year (No. of Shares)
Oil and Natural Gas Corporation Limited	77,88,45,375	54.90	-
Total	77,88,45,375	54.90	-

Name of the Promoter	31.03.2021		
	No. of Shares	% of total Shares	% Change during the year (No. of Shares)
Oil and Natural Gas Corporation Limited	77,88,45,375	53.64	-
Total	77,88,45,375	53.64	-

**20. Other Equity**

(₹ / Crore)

		31.03.2022	31.03.2021
Capital Redemption Reserve	(i)	106.83	73.36
Debenture Redemption Reserve	(ii)	756.08	753.97
Capital Reserve	(iii)	0.71	0.74
General Reserve	(iv)	50.10	50.10
Equity Instruments through Other Comprehensive Income	(v)	75.99	(233.64)
Foreign Currency Translation Reserve	(vi)	(52.77)	(36.58)
Cash Flow Hedge Reserve	(vii)	(251.83)	(48.33)
Retained Earnings	(viii)	39,300.16	36,068.83
		39,985.27	36,628.45
(i) Capital Redemption Reserve			
As per last Balance Sheet		73.36	1.56
Add : Transfer from General Reserve		-	71.80
Add : Transfer from Retained Earnings		33.47	-
		106.83	73.36
(ii) Debenture Redemption Reserve			
As per last Balance Sheet		753.97	720.13
Add: Transfer from Retained Earnings (refer Note 20.1)		2.11	33.84
Less: Transfer to Retained Earnings		-	-
		756.08	753.97
20.1. The reserve is created consequent on Non-Convertible Debentures, issued under Companies Act, 2013.			
(iii) Capital Reserve			
As per last Balance Sheet		0.74	0.71
Add: Transfer during the year		(0.03)	0.03
		0.71	0.74
(iv) General Reserve			
As per last Balance Sheet		50.10	1,827.75
Less: Utilisation for buy-back of shares		-	1,705.85
Less: Transfer to Capital Redemption Reserve		-	71.80
		50.10	50.10
(v) Equity Instruments through Other Comprehensive Income			
As per last Balance Sheet		(233.64)	(340.53)
Add : Additions during the year		309.63	106.89
		75.99	(233.64)
(vi) Foreign Currency Translation Reserve			
As per last Balance Sheet		(36.58)	(51.33)
Add : Additions during the year		(16.19)	14.75
		(52.77)	(36.58)
(vii) Cash Flow Hedge Reserve			
As per last Balance Sheet		(48.33)	(187.11)
Add : Effective Portion of Gains/(loss) in a Cash Flow Hedge		(204.35)	120.74
Less : Reclassification to Statement of Profit and Loss		(0.85)	(18.04)
		(251.83)	(48.33)
(viii) Retained Earnings			
As per last Balance Sheet		36,068.83	27,485.23
Add : Profit/(Loss) for the year		7,294.23	10,662.89
Less : 'Other Reserve' (refer Note 59)		-	262.17
Less : Transfer to Debenture Redemption Reserve		2.11	33.84
Less: Utilisation for buy-back of shares		932.39	208.61
Less : Profit appropriated towards Final Dividend (refer Note 46)		3,227.20	1,485.72
Less : Transfer to Capital Redemption Reserve		33.47	-
Add : Share in Other comprehensive Income of equity accounted investees		2.54	3.17
Less : Remeasurment (Gain)/Loss on Defined Benefit Plans		(129.73)	92.12
		39,300.16	36,068.83
		39,985.27	36,628.45

21. Borrowings

	(₹ / Crore)	
	31.03.2022	31.03.2021
Bonds and Debentures (refer Note 21.1)		
Un - secured		
Foreign Currency Bonds	3,781.30	3,646.17
8.00% Non-Convertible Debentures	499.86	499.81
7.00% Non-Convertible Debentures	1,999.86	1,999.81
6.80% Non-Convertible Debentures	2,999.94	2,999.85
6.38% Non-Convertible Debentures	599.91	599.83
7.03% Non-Convertible Debentures	1,399.78	1,399.76
5.36% Non-Convertible Debentures	1,199.94	1,199.92
4.79% Non-convertible Debentures	1,999.93	1,999.89
6.63% Non-convertible Debentures	1,949.79	-
6.09% Non-Convertible Debentures	1,499.84	-
Term loans		
Secured		
Oil Industry Development Board (refer Note 21.2)	100.00	2,850.00
Banks (refer Note 21.3)	291.99	-
Un - secured		
From Banks		
Syndicated loans repayable in foreign currency (refer Note 21.4)	13,018.08	8,579.15
Others (refer note 21.5)	4,525.00	-
	35,865.22	25,774.19
Less: Current Maturities of Long Term Borrowings	3,749.94	725.00
	32,115.28	25,049.19

21.1. Bonds and Debentures

Particulars of Bond/Debenture	Coupon Rate of Interest	Date of Maturity Redemption
6.63% Non-Convertible Debentures	6.63% p.a. payable Annually	11 th April 2031
7.03% Non-Convertible Debentures	7.03% p.a. payable Annually	12 th April 2030
USD 500 million bonds	4.00% p.a. payable Half Yearly	12 th July 2027
6.09% Non-Convertible Debentures	6.09% p.a. payable Annually	26 th February 2027
5.36% Non-Convertible Debentures	5.36% p.a. payable Annually	11 th April 2025
7.00% Non-Convertible Debentures	7.00% p.a. payable Annually	14 th August 2024
8.00% Non-Convertible Debentures	8.00% p.a. payable Annually	25 th April 2024
4.79% Non-Convertible Debentures	4.79% p.a. payable Annually	23 th October 2023
6.38% Non-Convertible Debentures	6.38% p.a. payable Annually	12 th April 2023
6.80% Non-Convertible Debentures	6.80% p.a. payable Annually	15 th December 2022

Of the loan amount ₹ 2,999.94 Crore (31.03.2021: ₹ Nil Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note 25.

21.2. Term Loans from Oil Industry Development Board

Repayable during	₹ in Crore		Range of Interest Rate as on	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
2021-22		725.00		6.53%-8.28%
2022-23	25.00	750.00	5.68%	5.68%-8.28%
2023-24	25.00	750.00	5.68%	5.68%-8.28%
2024-25	25.00	600.00	5.68%	5.68%-7.96%
2025-26	25.00	25.00	5.68%	5.68%-5.68%
Total	100.00	2,850.00		

Of the total loan outstanding as on March 31, 2021, loan aggregating to ₹ 2,150 Crore have been refinanced through unsecured term loan from HDFC Bank during the current financial year. The loan outstanding as on reporting date has been secured with first charge on the facilities of Vishakh Refinery Modernisation Project for a value of ₹ 18,194.30 Crore (31.03.2021: ₹ 13,598.64 Crore), Mumbai Refinery Expansion Project for a value of ₹ Nil Crore (31.03.2021: ₹ 3,839.23 Crore). Of the loan amount ₹ 25.00 Crore (31.03.2021: ₹ 725.00 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note 25.

**21.3.Secured Term Loan from Banks****With respect to Loan taken by HPCL LNG Limited**

The Term loan facility is secured by the first charge over:

- (i) all the immovable assets (Including freehold/ leasehold land);
- (ii) all movable assets, moveable plant and machinery, machinery spares, tools and accessories both present and future of the company (including existing plants and all of its present/future assets);
- (iii) the intangible assets of the Company (all rights, titles and interests in, to and under all assets (present/future) of the Project);
- (iv) all the material project document, clearances and all the right, title, interest, benefits, claims and demands whatsoever of the borrowing in the insurance contracts / policies / insurance proceeds, licenses, performance bonds, guarantees in, to, and under all assets of the company or procured by any of its contractors favoring the Company;
- (v) the present & future cash flows/revenues/receivables of the Company;
- (vi) all the bank accounts of the Company including but not limited to the Trust & Retention Account, its sub accounts and each of other account required to be created by the Company;

The applicable Interest rate for the long term loan shall be floating linked to the prevailing SBI 1-year MCLR with spread of 0.05%, present effective rate is 7.05% p.a.

The Loan is to be repaid in stepped up 38 installments over a period of 13 years including moratorium period of 2 years. The repayment schedule for Long Term loans shall be started from 01.04.2025 till 30.09.2034.

21.4.Syndicated term loans repayable in foreign currency**With respect to Loan taken by Hindustan Petroleum Corporation Limited**

Repayable during	USD Million		₹ / Crore	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
2023-24	500.00	500.00	3,789.88	3,655.75
2024-25	300.00	300.00	2,273.93	2,193.45
2025-26	300.00	300.00	2,273.93	2,193.45
2026-27	450.00	-	3,410.89	-
2027-28	100.00	-	757.98	-
Total	1,650.00	1,100.00	12,506.61	8,042.65

The Corporation has availed Syndicated Loans from foreign Banks at fixed rate and/or 3 months floating LIBOR/Term SOFR plus spread (spread range: 90 to 139 basis point p.a.). These loans are taken for the period up to 5 years. Of the loan amount ₹ Nil Crore (31.03.2021: ₹ Nil Crore) is repayable within one year.

With respect to Loan taken by Prize Petroleum International Pte Ltd.

The secured bank loan bears interest at 1.2% + 6-month LIBOR per annum (2020-21 : 1.2% + 6-month LIBOR per annum), which was in the range of 1.38% to 1.45% p.a. during the year 2021-22 (2020-21 : 1.45% to 3.13% p.a.).The bank loan is repayable on the 7th anniversary of the utilization date on 28th October 2023. Shares of the Group in PPIPL have been pledged in favour of the lender.

21.5.Other term loans

Repayable during	₹ / Crore		Range of Interest Rate as on	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
2022-23	725.00	-	Linked to 1	-
2023-24	725.00	-	Month T-Bill	-
2024-25	575.00	-	Rate	-
2025-26	2,500.00	-	Linked to 3	-
			Month T-Bill	
			Rate	
Total	4,525.00	-		-

Of the loan amount ₹ 725 Crore (31.03.2021: ₹ Nil Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note 25.

22. Other Financial Liabilities

	(₹ / Crore)	
	31.03.2022	31.03.2021
Other Liabilities	53.25	32.63
	53.25	32.63

23. Provisions

	(₹ / Crore)	
	31.03.2022	31.03.2021
Provision for employee benefits	50.67	36.72
Others	0.06	0.08
	50.73	36.80

24. Other Non-Current Liabilities

	(₹ / Crore)	
	31.03.2022	31.03.2021
Capital Grant	12.12	13.18
Other liabilities	444.58	369.30
	456.70	382.48

25. Borrowings

	(₹ / Crore)	
	31.03.2022	31.03.2021
Loans repayable on demand		
Secured		
from banks		
Cash Credit (refer Note 11.2)	2,305.35	2,551.03
from other parties		
Triparty Repo Dealing System Loan (refer Note 12.1)	1,049.69	1,449.62
Un-secured		
from banks		
Clean Loans	3,780.54	4,800.31
Short term loans	1,178.85	2,120.57
from other parties		
Commercial papers	799.08	3,988.12
Current maturities of Long term borrowings (refer Note 25.1)	3,749.94	725.00
	12,863.45	15,634.65

25.1. Includes loans repayable within one year: Loan from Oil Industry and Development Board ₹ 25.00 Crore (31.03.2021 : ₹ 725.00 Crore); Term Loans from Other Banks ₹ 725.00 Crore (31.03.2021 : ₹ Nil Crore) and Non Convertible Debentures ₹ 2,999.94 Crore (31.03.2021 : ₹ Nil Crore).

26. Trade Payables

	(₹ / Crore)			
Particulars	31.03.2022		31.03.2021	
	Undisputed	Disputed	Undisputed	Disputed
(i) MSME				
Unbilled	71.94	-	-	-
Not Due	327.45	-	130.81	-
Less than 1 year	2.76	-	1.05	-
1 to 2 years	0.03	-	0.04	-
2 to 3 years	0.02	-	0.02	-
More than 3 years	0.01	-	0.07	-
(ii) Others				
Unbilled	3,607.24	-	3,087.13	-
Not Due	22,367.03	6.03	12,798.50	4.84
Less than 1 year	88.13	0.81	542.34	0.81
1 to 2 years	0.69	0.81	3.00	0.81
2 to 3 years	0.23	0.81	3.55	0.81
More than 3 years	0.77	2.57	0.50	1.76
	26,466.30	11.03	16,567.01	9.03



27. Other Financial Liabilities

	(₹ / Crore)	
	31.03.2022	31.03.2021
Interest accrued but not due on loans	473.46	325.44
Unpaid Dividend (refer Note 27.1)	23.32	19.01
Derivative Liability	185.31	1.14
Deposits from Dealers /Consumers/Suppliers (refer Note 27.2)	17,006.62	16,130.95
Liability towards Capital Expenditures:		
Outstanding dues of micro enterprises and small enterprises (refer Note 48)	644.82	492.09
Outstanding dues of creditor other than micro and small enterprises	3,122.02	2,616.90
Other Financial Deposits	14.81	12.40
Other Liabilities	1,068.53	1,391.01
	22,538.89	20,988.94

27.1. Dues as at the end of the year for credit to Investors' Education and Protection Fund is ₹ Nil Crore (31.03.2021: Nil Crore).

27.2. a) Includes deposits received towards Rajiv Gandhi Gramin LPG Vitruk Yojana ₹ 241.89 Crore (31.03.2021: ₹ 241.89 Crore) and Prime Minister Ujjawala Yojana of ₹ 3,362.33 Crore (31.03.2021: ₹ 3,015.69 Crore). These deposits have been either made by Government of India or created out of CSR fund.

b) The liability is classified as current in accordance with Ind AS 1 as it is payable on demand. Considering past trends, it is expected that the payment towards the liability in the next 12 months would be insignificant.

28. Other Current Liabilities

	(₹ / Crore)	
	31.03.2022	31.03.2021
Revenue received in advance	1,858.18	1,044.78
Capital Grant	0.96	1.14
Statutory Payables	4,458.41	4,550.36
Other Liabilities	119.94	110.09
	6,437.49	5,706.37

29. Provisions

	(₹ / Crore)	
	31.03.2022	31.03.2021
Provision for employee benefits	1,180.89	1,742.61
Provisions for probable obligations (refer Note 55)	1,305.81	1,104.46
	2,486.70	2,847.07

30. Current Tax Liabilities (Net)

	(₹ / Crore)	
	31.03.2022	31.03.2021
Provision for tax (net of advance tax) (refer Note 41)	267.43	351.72
	267.43	351.72

31. Gross Sale of Products

	(₹ / Crore)	
	2021-22	2020-21
Sale of Products	3,72,802.36	2,69,470.78
Recovery under Subsidy Schemes	65.58	22.91
	3,72,867.94	2,69,493.69

Notes to the Consolidated Financial Statements

- 31.1. Net of discount of ₹ 2,757.47 Crore (2020-21: ₹ 2,199.63 Crore).
 31.2. Includes Subsidy on PDS Kerosene from State Governments amounting to ₹ 65.58 Crore (2020-21: ₹ 31.30 Crore).
 31.3. Disaggregation of revenue as required under Ind AS 115:

	(₹ / Crore)	
	2021-22	2020-21
Exports	7,257.66	3,060.96
Other than export	3,65,610.28	2,66,432.73
	3,72,867.94	2,69,493.69

- 31.4. The MoPNG, vide letter dated 30.04.2020 had conveyed to Oil Marketing Companies (OMCs) that a) In case, the Market Determined Price (MDP) is higher than the Effective Cost to Consumer (ECC), the difference shall be transferred to consumers account via Direct Benefit Transfer of LPG (DBTL) Scheme and b) In case, where MDP is less the ECC, the OMCs will retain the difference in a separate buffer account for future adjustment. However, as on March 31, 2022, the Corporation had a negative buffer of ₹ 2,642.33 Crore (after adjustment of uncompensated cost of ₹ 2,128.25 Crore) as the retail selling price was less than MDP and accordingly the revenue from the sale of LPG was reduced by this amount.

32. Other Operating Revenues

	(₹ / Crore)	
	2021-22	2020-21
Rent Recoveries	795.38	757.28
Miscellaneous Operating Income	463.67	326.99
	1,259.05	1,084.27

33. Other Income

	(₹ / Crore)	
	2021-22	2020-21
Interest Income on Financial Assets carried at amortized cost:		
On Deposits	10.38	18.87
On Staff Loans	36.15	38.12
On Customers' Accounts	400.70	292.58
Interest On Current Investments carried at fair value through Profit or Loss	370.90	379.94
Interest on Other Financial Assets carried at amortized cost	182.99	256.26
Interest on Others	59.32	114.91
	1,060.44	1,100.68
Dividend Income from non-current equity instruments at FVOCI	28.76	13.64
Fair value gain on Derivative instruments carried at FVTPL	-	15.08
Fair value gain on re-measurement of previously held equity interest (refer Note 1.3.3)	-	158.99
Gain on foreign currency transaction and translation	95.28	1,014.89
Fair value gain on Current Investments carried at FVTPL	-	72.90
Profit on Sale/write off of Property Plant & Equipments / Capital Work in Progress/ Assets classified as held for Sale/Disposal (net)	140.62	-
Reversal of Loss allowance on Doubtful debts/Receivables/loans net of provision of ₹ 55.95 Crore (2020-21: ₹ Nil Crore)	614.83	-
Miscellaneous Income	498.99	267.55
	1,378.48	1,543.05
	2,438.92	2,643.73

34. Cost of Materials Consumed

	(₹ / Crore)	
	2021-22	2020-21
Cost of Raw Materials Consumed	69,131.39	44,258.34
Packages Consumed	404.79	314.43
	69,536.18	44,572.77



35. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress (Increase)/ Decrease

	(₹ / Crore)	
	2021-22	2020-21
(A) Closing Stock:		
Work-in-progress	1,995.51	1,026.65
Finished Goods	9,788.75	8,817.05
Stock-in-trade	13,202.33	14,517.01
	24,986.59	24,360.71
(B) Opening Stock:		
Work-in-progress	1,026.65	922.39
Finished Goods	8,817.05	6,164.24
Stock-in-trade	14,517.01	8,755.55
	24,360.71	15,842.18
(B-A)	(625.88)	(8,518.53)

36. Employee Benefits Expense

	(₹ / Crore)	
	2021-22	2020-21
Salaries, Wages, Bonus, etc.	2,240.25	2,470.89
Contribution to Provident Fund (refer Note 63)	155.67	176.62
Pension, Gratuity and Other Employee Benefits	235.63	221.75
Employee Welfare Expenses	385.80	350.16
	3,017.35	3,219.42

37. Finance costs

	(₹ / Crore)	
	2021-22	2020-21
Interest (refer Note 37.1)	803.95	939.65
Exchange differences regarded as an adjustment to borrowing costs	179.15	7.38
Other borrowing costs	14.22	16.25
	997.32	963.28

37.1. Includes interest u/s 234B / 234C of Income Tax Act, 1961 for an amount ₹ 2.29 Crore (2020-21 : ₹ 57.03 Crore).

38. Other Expenses

	(₹ / Crore)	
	2021-22	2020-21
Transportation Expenses	7,313.23	6,401.92
Consumption of Stores, Spares and Chemicals	220.46	250.97
Power and Fuel	3,535.22	2,273.63
Less : Consumption of fuel out of own production	3,024.85	1,863.78
Power and fuel consumed (net)	510.37	409.85
Repairs and Maintenance - Buildings	72.56	41.26
Repairs and Maintenance - Plant and Machinery	1,246.11	1,092.68
Repairs and Maintenance - Other Assets	409.26	397.56
Insurance	252.04	132.52
Rates and Taxes	130.02	224.22
Irrecoverable Taxes and Other Levies	656.95	584.74
Rent	237.07	276.08
Travelling and Conveyance	187.24	141.54
Electricity and Water	631.85	821.91
Corporate Social Responsibility (CSR) Expenses	161.94	129.97
Fair value Loss on Current Investments carried at FVTPL	45.78	-
Loss allowance on Doubtful debts/Receivables/loans net of reversal of ₹ Nil Crore (2020-21: ₹ 1.36 Crore)	-	696.10

	(₹ / Crore)	
	2021-22	2020-21
Bad Debts written off	0.27	0.74
Loss on Sale/ write off of Property Plant & Equipments / Capital Work In Progress/ Assets classified as held for Sale/Disposal (net)	-	51.17
Security Charges	274.91	282.64
Advertisement and Publicity (refer Note 38.1)	570.09	127.32
Sundry Expenses and Charges (Not otherwise classified)	1,517.85	1,334.34
Consultancy and Technical Services	72.87	71.43
Exploration Cost	8.20	0.42
Payments to the auditors for:		
- Audit Fees	0.74	0.72
- Other Services	0.68	0.38
- Reimbursement of expenses	0.04	0.19
	14,520.53	13,470.67

38.1. include ₹ 462.52 Crore incurred towards implementation of PMUY-2 Scheme, an initiative of Government of India to further the consumption of LPG, which targeted releasing of free LPG connections by Oil Marketing Companies during financial year 2021-22.

39. Fair Value Measurements

39.A. Classification of Financial Assets and Financial Liabilities:

The following table shows the carrying amounts of Financial Assets and Financial Liabilities which are classified as at Fair value through Profit or Loss (FVTPL), Fair value through other comprehensive Income (FVTOCI) and Amortized Cost:

	31.03.2022			31.03.2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments						
- Investment in Equity Instruments*	0.00	637.76	-	0.00	328.14	-
- Investment in Preference Shares	17.80	-	-	13.82	-	-
- Investment in Debt Instruments	5,371.52	-	-	5,417.58	-	-
Loans & Advances						
- Employee Loans	-	-	429.18	-	-	420.78
- Other loans	-	-	651.89	-	-	551.76
Trade receivables	-	-	6,340.31	-	-	6,869.99
Cash and cash equivalents	-	-	233.85	-	-	480.38
Bank balances other than cash & cash equivalents	-	-	24.12	-	-	94.54
Other Financial Assets						
- Amounts recoverable under subsidy schemes	-	-	4.42	-	-	25.25
- Others	-	-	1,649.13	-	-	1,918.56
Total	5,389.32	637.76	9,332.90	5,431.40	328.14	10,361.26
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	-	3,781.30	-	-	3,646.17
- Non Convertible Debentures	-	-	14,148.85	-	-	10,698.87
- Oil Industry Development Board	-	-	100.00	-	-	2,850.00
- Syndicated Loans from Foreign Banks	-	-	-	-	-	-
- Fixed rate loan	-	-	2,248.96	-	-	2,163.24
- Variable rate loan	-	-	10,769.12	-	-	6,415.91
- Long term loans from banks	-	-	4,816.99	-	-	-

(₹ / Crore)

	31.03.2022			31.03.2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
- Cash Credit	-	-	2,305.35	-	-	2,551.03
- Short term loans from banks	-	-	1,178.85	-	-	2,120.57
- Clean Loans	-	-	3,780.54	-	-	4,800.31
- Triparty Repo Dealing System Loan	-	-	1,049.69	-	-	1,449.62
- Commercial papers	-	-	799.08	-	-	3,988.12
Lease Liabilities	-	-	3,519.02	-	-	3,024.89
Trade Payables	-	-	26,477.33	-	-	16,576.04
Other Financial Liabilities	-	-	-	-	-	-
- Deposits from Consumers	-	-	17,006.62	-	-	16,130.95
- Derivative liabilities (for hedging)	-	185.31	-	-	1.14	-
- Liability towards Capital Expenditure	-	-	3,766.84	-	-	3,108.99
Others	-	-	1,633.37	-	-	1,780.49
Total	-	185.31	97,381.91	-	1.14	81,305.20

* Equity instruments classified as FVTOCI are designated as such upon initial recognition.

39.B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of the Financial Assets and Financial Liabilities that are recognised and measured at fair value and amortised cost. To provide an indication about the reliability of the inputs used in determining fair value, Corporation has classified its Financial Assets and Financial Liabilities into the three levels prescribed under the accounting standard. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. An explanation of each level is provided under Significant Accounting Policies.

(₹ / Crore)

	31.03.2022			31.03.2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investments						
- Investment in Equity Instruments	637.76	-	-	328.14	-	-
- Investment in Debt Instruments	5,371.52	-	-	5,417.58	-	-
Loans						
- Employee Loans	-	429.18	-	-	420.78	-
- Other Loans	-	-	652.07	-	-	1,080.85
Other Financial Assets						
- Derivative Assets	-	-	-	-	-	-
Total	6,009.28	429.18	652.07	5,745.72	420.78	1,080.85
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	3,726.78	-	-	3,883.37	-
- Non Convertible Debentures	-	14,451.79	-	-	11,033.26	-
- Oil Industry Development Board Loan	-	100.31	-	-	2,942.15	-
- Syndicated Loan from Foreign Banks	-	-	-	-	-	-
- Fixed rate loan	-	2,102.57	-	-	2,215.01	-
Other Financial Liabilities						
- Derivative Liabilities (for hedging)	-	185.31	-	-	1.14	-
Total	-	20,566.76	-	-	20,074.93	-

39.C. Valuation techniques used to determine Fair Value

Type	Valuation technique
Derivative instruments - forward exchange contracts	Discounted cash flow i.e. fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract.
Derivative instruments - Commodity derivatives	Fair value of commodity derivative contracts is estimated by determining the difference between the contractual price and the current forward price for the residual maturity of the contract.
Derivative instruments - interest rate swap	Discounted cash flows i.e. Present value of expected receipt/payment.
Non-current financial assets and liabilities measured at amortised cost	Discounted cash flows. The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.

40. Financial risk management

40.A. Risk management framework

The Corporation has established an Enterprise Risk Management (ERM) framework under the Corporation's Risk Management Charter and Policy 2007, which is embedded at the forefront of business strategies and focuses on the stronger, deeper and trust-based relationship with the stakeholders. It provides necessary support to the business to steer through the continuously evolving risk terrain through dynamic risk management approach that embraces disruption and enhances resiliency and trust.

The Corporation had reviewed the Risks arising out of the COVID-19 and as a risk mitigation measure, incorporated certain new risks and amended the existing risks suitably.

The Risk Management Steering Committee (RMSC) receives regular insights on risk exposures faced by the Corporation, thereby enabling it to provide inputs on prompt actions to be taken as well as monitor the actions taken. The Board is also updated regularly on the risk assessment and mitigation procedures.

Technology has been enabled to support the Enterprise Risk Management processes with a focus on optimizing risk exposures and automating risk reporting across the organization.

40.B. Group has identified financial risk and categorised them in three parts viz. (i) Credit Risk, (ii) Liquidity Risk & (iii) Market Risk. Details regarding sources of risk in each such category and how Group manages the risk is explained in following notes

40.B.1. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet their contractual obligations. The risk arises principally from the Group's Receivables from Customers and so also from Investment Securities. The risk is managed through credit approval, establishing credit limits and continuous monitoring of the creditworthiness of Customers to whom the Group extends credit terms in the normal course of business.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Note: Refer Note 56 regarding loans given to consumers under Pradhan Mantri Ujjwala Yojna (PMUY).

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The Group assesses impairment of Trade Receivable/Other Receivables both individually &/or grouping large numbers of Customers, homogenously and recognizes a loss allowance towards doubtful debts by estimating its expected losses. In this regard, an allowance matrix is used to measure the expected credit losses on trade receivables that are considered good. The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) on such trade receivables:

(₹ / Crore)

Past Due	31.03.2022			31.03.2021		
	Gross carrying amount	Weighed average loss rate	Loss allowance	Gross carrying amount	Weighed average loss rate	Loss allowance
0-90 days	6,137.05	0.02%	1.16	6,350.34	0.05%	3.29
91-360 days	85.07	3.35%	2.85	352.21	1.73%	6.10
More than 360 days	290.48	57.93%	168.28	487.58	63.73%	310.75
	6,512.60		172.29	7,190.13		320.14

The movement in loss allowance on trade receivables and loans given to PMUY Consumers is as follows:

(₹ / Crore)

Particulars	Trade Receivables	Loans
Balance as at 01.04.2020	179.92	227.40
Add : Loss allowance recognised	140.59	390.67
Less : Amounts written off	0.37	-
Balance as at 31.03.2021	320.14	618.07
Add : Loss allowance recognised	18.97	-
Less : Loss allowance reversed	166.68	499.37
Less : Amounts written off	0.13	-
Balance as at 31.03.2022	172.29	118.70

The amounts written off relates to customers who have defaulted payments and are not expected to be expected to pay their outstanding balances, mainly due to economic circumstances.

Cash and cash equivalents

The Group held cash and cash equivalents of ₹ 233.85 Crore as at 31.03.2022 (31.03.2021: ₹ 480.38 Crore). The cash and cash equivalents (other than cash on hand) are held with Scheduled banks. The Group invests its surplus funds for short duration in fixed deposit with banks, Govt of India T-bills and liquid Schemes of Mutual Funds, all of which carry no mark to market risks as the Group is exposed only to low credit risk.

Derivatives

The forex and interest rate derivatives are entered into with banks having an investment grade rating. Commodity derivatives are entered with reputed Counterparties in the OTC (Over-the-Counter) Market. The exposure to counterparties are closely monitored and kept within the approved limits.

Investment in debt securities

Investment are made in government securities or bonds which do not carry any credit risk, being sovereign in nature.

40.B.2. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. Group has a strong focus on effective management of its liquidity to ensure that all business and financial commitments are met on time. The Group has adequate borrowing limits in place duly approved by its Shareholders and Board. Group's sources of liquidity includes operating cash flows, cash and cash equivalents, fund and non-fund based lines from banks and liquid investment portfolio. Group ensures that there is minimal concentration risk by diversifying its portfolio across instruments and counterparties. Cash and fund flow management is monitored daily in order to have smooth and continuous business operations.

(i) Financing arrangements

The Group has an adequate fund and non-fund based lines from various banks. The Group has sufficient borrowing limits in place duly, approved by its Shareholders and Board. Domestic and international credit rating from reputed credit rating agencies enables access of funds both from domestic as well as international market. Group's diversified source of funds and strong operating cash flow enables it to maintain requisite capital structure discipline. Group diversifies its capital structure with a mix of instruments and financing products across varying maturities and currencies. The financing products include syndicated loans, foreign currency bonds, TREPS loan, commercial paper, non-convertible debentures, buyer's credit loan, clean loan etc. Group taps domestic as well as foreign debt markets from time to time to ensure appropriate funding mix and diversification of geographies.

(ii) Maturities of financial liabilities

The amounts disclosed in the table below are the contractual undiscounted cash flow:

(₹ / Crore)

	Contractual cash flows					
	31.03.2022			31.03.2021		
	Upto 1 year	1-3 years	more than 3 years	Upto 1 year	1-3 years	more than 3 years
Non-derivative financial liabilities						
Borrowings and interest thereon	14,361.82	15,325.91	21,236.92	16,759.60	12,596.12	15,835.12
Trade payables	26,477.33	-	-	16,576.04	-	-
Other financial liabilities	21,880.12	-	53.25	20,662.36	-	32.63
Total	62,719.27	15,325.91	21,290.17	53,998.00	12,596.12	15,867.75
Derivative financial liabilities/ (Assets)						
Interest rate swaps	-	-	-	-	-	-
Commodity contracts (net settled)	185.31	-	-	1.14	-	-
Forward exchange contracts (Gross settled)	-	-	-	-	-	-
- Inflows	-	-	-	-	-	-
- Outflows	-	-	-	-	-	-
Total	185.31	-	-	1.14	-	-

40.B.3. Market Risk - Market Risk is further categorised in (i) Currency risk , (ii) Interest rate risk & (iii) Commodity risk:**40.B.3.1. Currency risk**

The Group is exposed to currency risk, primarily on account of its repayment obligations of loans taken in foreign currency and imports, to be paid in foreign currency. The exposure is mainly denominated in U.S.Dollar. The Group has a Forex Risk Management Cell (FRMC) which actively review the forex and interest rate exposures. The Group uses generic derivative contracts to mitigate the risk of changes in foreign currency exchange rates in line with Corporation's forex risk management policy. The Group does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk - The currency profile of financial assets and financial liabilities is as below:

(₹ / Crore)

	31.03.2022		31.03.2021	
	INR	Exposure in USD (INR terms)	INR	Exposure in USD (INR terms)
Financial assets				
Non-current investments	655.56	-	341.96	-
Current investments	5,371.52	-	5,417.58	-
Long-term loans	925.89	-	846.24	-
Short-term loans	155.18	-	126.30	-
Trade receivables	5,050.96	1,289.35	6,334.70	535.29
Cash and Cash Equivalents	233.85	-	480.38	-
Bank balances other than cash & cash equivalents	24.12	-	94.54	-
Others Non Current Financial Assets	145.55	-	149.36	-
Others Current Financial Assets	1,508.00	-	1,794.45	-
Exposure for assets - A	14,070.63	1,289.35	15,585.51	535.29

(₹ / Crore)

	31.03.2022		31.03.2021	
	INR	Exposure in USD (INR terms)	INR	Exposure in USD (INR terms)
Financial liabilities				
Long term borrowings including current maturities	19,065.84	16,799.38	13,548.87	12,225.32
Non current lease liabilities	3,150.74	-	2,715.23	-
Short term borrowings	8,734.50	379.01	12,789.08	2,120.57
Current lease liabilities	368.28	-	309.66	-
Trade Payables	14,019.32	12,458.01	10,972.38	5,603.66
Other non current financial liabilities	53.25	-	32.63	-
Other current financial liabilities	22,444.88	94.01	20,957.28	31.66
	67,836.81	29,730.41	61,325.13	19,981.21
Less: Foreign currency forward exchange contracts	-	-	-	-
Exposure for liabilities - B	67,836.81	29,730.41	61,325.13	19,981.21
Net exposure (Assets - Liabilities)(A - B)	(53,766.18)	(28,441.06)	(45,739.62)	(19,445.92)

The following exchange rates have been applied during the year:

INR	31.03.2022	31.03.2021
USD 1	75.80	73.12

Sensitivity analysis

The table below shows sensitivity of open forex exposure of the Group to USD/INR currency movement. The impact of exposure to a currency movement in the range of 1% (+/-) change, increase denoting appreciation in USD Vs. INR & vice versa is explained thru' the said Table. The indicative 1% movement is not directional and does not reflect management's forecast on currency movement.

Effect in INR	Impact on profit or (loss) due to 1 % increase / decrease in currency (₹ / Crore)			
	Increase	Decrease	Increase	Decrease
	31.03.2022		31.03.2021	
1% movement	1%		1%	
USD	(284.41)	284.41	(194.46)	194.46

40.B.3.2 Interest rate risk

The Corporation has long-term foreign currency syndicated loans with floating rate of interest, which exposes the Corporation to cash flow interest rate risk. The borrowings at floating rate are denominated in USD. The Corporation manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under this, the Corporation agrees with other Parties to exchange at specified intervals (i.e. quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. The Corporation monitors the interest rate movement and manages the interest rate risk, based on the Corporation's Forex Risk Management Policy. The Corporation also has a Forex Risk Management Cell (FRMC) that actively reviews the forex and interest rate exposures. The Corporation does not use derivative financial instruments for trading or speculative purposes.

The Corporation has exposure in the form of External Commercial Borrowings aggregating to USD 1250 million linked to LIBOR as at 31.03.2022. In March 2021, the Financial Conduct Authority (FCA), UK has confirmed that all LIBOR settings will either cease to be provided by any administrator or no longer be a representative in the following manner:

- Immediately after December 31, 2021, in the case of all sterling, Euro, Swiss franc and Japanese yen settings, and the 1-week and 2-month US dollar settings; and
- Immediately after June 30, 2023, in the case of the remaining US dollar settings.

In this context, the afore-mentioned exposure shall be migrated from LIBOR to an Alternative Reference Rate (ARR). The impact of such migration is not ascertainable at present.

The Group's borrowings, contracted at fixed rate are carried at amortised cost. These are not impacted to interest rate risk as defined in Ind AS 107 as neither the carrying amount nor the future cash flows will fluctuate in the event of a change in market interest rates.

Interest rate risk exposure

The Group's interest rate risk arises mainly from borrowings. The profile of the Group's interest-bearing financial instruments at period end is as follows:

(₹ / Crore)		
	Carrying amount	
	31.03.2022	31.03.2021
Fixed-rate instruments		
Financial assets	5,602.68	5,626.81
Financial liabilities	28,116.09	32,147.36
Variable-rate instruments		
Financial assets	1,876.43	1,870.26
Financial liabilities	16,862.64	8,536.48

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25 basis points in interest rates at Reporting Date would have impacted profit or loss [increased / (decreased)] by the amounts shown below. The indicative 25 basis point (0.25%) movement is directional and does not reflect management forecast on interest rate movement. This analysis assumes that all other variables, in particular, foreign currency exchange rate remaining constant.

	Impact on Profit or (loss) (₹ / Crore)			
	25 bp increase	25 bp decrease	25 bp increase	25 bp decrease
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Floating rate borrowings	(38.99)	38.99	(17.88)	17.88
Cash flow sensitivity (net)	(38.99)	38.99	(17.88)	17.88

40.B.3.3. Commodity Risk

The Group's Profitability is exposed to the risk of fluctuation in prices of Crude Oil and Petroleum products in international markets. Group monitors and reduces the impact of the volatility in International Oil prices based on approved Oil Price Risk Management Policy by entering into derivative contracts in the OTC market.

The Group also has Oil Price Risk Management Committee (OPRMC) which actively reviews and monitors risk management principles, policies and risk management activities.

Category-wise quantitative break-up of Commodity derivative contracts entered into by the Group which are Outstanding as at Balance Sheet date is given below:

	Quantity (in Mn Barrels)	
	31.03.2022	31.03.2021
Crude/Product Swaps	5.40	0.80

The sensitivity to a reasonable possible change of 10% in the price of outstanding Commodity derivative/paper contracts as on Balance Sheet date would increase/decrease the profit or loss by amounts shown below. This 10% movement is directional and does not reflect any forecast of price movement.

	Effect on Profit before Tax (In ₹ / Crore)			
	10% Increase	10% Decrease	10% Increase	10% Decrease
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Crude/Product Swaps	(47.26)	47.26	(14.01)	11.56

Derivatives & Hedging

The Group enters into derivative contracts for hedging purpose, to mitigate the commodity price risk, on Highly probable forecast transactions as detailed above. The Group has applied Hedge Accounting on commodity derivative transactions entered subsequent to 01 January 2020 as per Ind AS 109 (Financial Instruments). Consequent to this a Mark to Market debit amounting to ₹ 185.31 Crore (2020-21 : ₹ 1.14 Crore) has been accounted in Other Comprehensive Income which will be recycled to Statement of Profit and Loss in subsequent period on settlement of respective contracts.

All these hedges are accounted for as Cash Flow Hedges.

Hedge Effectiveness

The Group has established a hedge ratio of 1:1 for the hedging relationship as the underlying risk of the commodity forward contracts are identical to the hedged risk component. Hedge item and the hedging instruments have economic relationship as the terms of the commodity forward contracts match with the terms of hedge items. Considering the economic relationship and characteristics of the hedging instrument being aligned to the hedged item, the fair value changes in the hedging instrument reasonably approximates the fair value changes in the hedged item (in absolute amounts).

Source of Hedge Ineffectiveness

The Group has identified the following sources of hedge ineffectiveness which are not expected to be material:

- Counterparty Credit Risk impacting the fair value of the hedge instrument and hedge item.
- Difference in the timing of the cash flows of the hedged items and the hedge instruments
- Different indexes used to hedge risk of the hedged item.
- Changes to forecasted amounts of cash flows of hedged items and hedging instruments.

Disclosures of effects of Cash Flow Hedge Accounting

The Group has applied Hedge Accounting prospectively for the highly probable forecast transactions as stated above, entered after 01 January 2020. Consequently, disclosure is made only for the transactions designated for Hedge Accounting.

The Group is holding the following derivative contracts:

As at March 31, 2022	Maturities					Total
	Less than 1 Month	1-3 Months	3-6 Months	6-12 Months	More than 12 Months	
Commodity Forward Contracts						
Nominal Volume (Quantity in Mn Barrels)	0.53	1.05	1.28	2.55	-	5.40
Nominal amount (₹ /Crore)	46.48	92.96	111.04	222.08	-	472.56

As at March 31, 2021	Maturities					Total
	Less than 1 Month	1-3 Months	3-6 Months	6-12 Months	More than 12 Months	
Commodity Forward Contracts						
Nominal Volume (Quantity in Mn Barrels)	0.18	0.33	0.30	-	-	0.80
Nominal amount (₹ /Crore)	35.70	61.55	18.30	-	-	115.55

The Impact of Hedging Instruments in Balance sheet is as under:

	(₹ / Crore)	
	Commodity forward contract- Margin Hedging	
	31.03.2022	31.03.2021
Nominal Amount	472.56	115.55
Carrying Amount	(185.31)	(1.14)
Line item in Balance sheet that include Hedge Instrument	Other Financial Assets/ Other Financial Liabilities	Other Financial Assets/ Other Financial Liabilities

The Impact of Cash flow Hedge in the statement of Profit and Loss and Other comprehensive Income (OCI):

	(₹ / Crore)	
	Highly Probable Forecast Transaction	
	2021-22	2020-21
Hedging Gain / (Loss) recognised in OCI*	(185.31)	(1.14)
Income tax on Above	46.64	0.29
Net amount recognised in Cash flow Hedge Reserve	(138.67)	(0.85)
Amount reclassified from Cash flow hedge reserve to Statement of Profit and Loss	(1.14)	(24.11)
Income tax on above	0.29	6.07
Line item in the Statement of Profit and Loss that includes the reclassification adjustment	Revenue/ Purchases	Revenue/ Purchases

*The Group expects that the amount of Loss recognised in cash flow hedge reserve through Other comprehensive income (OCI) will be recovered in future period through gains in underlying transactions.

40.B.3.4. Price risk

The Group's exposure to equity investment has price risk. Such investments are designated at fair value through Other Comprehensive Income, as these investments are held for long-term strategic purposes.

Sensitivity

The table below summarises the impact of increase/decrease in price:

	Equity Instruments through OCI (In ₹ / Crore)			
	5% Increase	5% Decrease	5% Increase	5% Decrease
	31.03.2022		31.03.2021	
Equity Investment in Oil India Limited	31.89	(31.89)	16.41	(16.41)

**40.C.1. Offsetting**

The financial instruments that are otherwise eligible for offset and other similar arrangements but are not offset, as at period end. The column 'net amount' shows the impact on the Group's balance sheet if all set-off rights are exercised.

(₹ / Crore)					
	Effect of offsetting on the Balance Sheet			Related amounts not offset	
	Gross amounts (A)	Gross amounts set off in the balance sheet (B)	Net amounts presented in the Balance Sheet (C) (A-B)	Amounts not Offset (D) (Other than (B))	Net Amount (E) (C-D)
31st March, 2022					
Financial assets					
Trade Receivables	10,118.18	(3,777.87)	6,340.31	-	6,340.31
Financial liabilities					
Trade Payables	30,255.20	(3,777.87)	26,477.33	-	26,477.33
Other Current Financial Liabilities	22,538.89	-	22,538.89	-	22,538.89
31st March, 2021					
Financial assets					
Trade Receivables	8,060.56	(1,190.57)	6,869.99	-	6,869.99
Financial liabilities					
Trade Payables	17,766.61	(1,190.57)	16,576.04	-	16,576.04
Other Current Financial Liabilities	20,988.94	-	20,988.94	-	20,988.94

41. Tax expense**(a) Amount recognised in Statement of Profit and Loss**

(₹ / Crore)		
	2021-22	2020-21
Current tax expense		
Current year	1,510.00	3,569.56
Changes in estimates relating to prior years (refer Note 41(e))	(202.46)	(0.42)
Deferred tax expense		
Origination and reversal of temporary differences	526.41	(52.08)
Changes in estimates relating to prior years (refer Note 41(e))	15.45	17.05
Tax expense recognised	1,849.39	3,534.11

(b) Amount recognised in Other Comprehensive Income

(₹ / Crore)						
	2021-22			2020-21		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
Items that will not be reclassified to profit or loss:						
Remeasurements of the defined benefit plans	173.30	43.57	129.73	(123.14)	(31.02)	(92.12)
Items that will be reclassified to profit or loss:						
Effective Portion of Gains/(loss) in a Cash Flow Hedge	(185.31)	(46.64)	(138.67)	(1.14)	(0.29)	(0.85)

(c) Reconciliation of effective tax rate

	31.03.2022		31.03.2021	
	%	(₹ / Crore)	%	(₹ / Crore)
Profit before tax		9,143.62		14,197.00
Tax as per Corporate Tax Rate	25.168%	2,301.27	25.168%	3,573.10
Tax effect of:				
Non-deductible tax expenses	0.678%	62.00	0.336%	47.70
Tax-exempt income	(0.079%)	(7.23)	(0.555%)	(78.73)
Interest expense u/s 234B/C not deductible for tax purposes	0.006%	0.58	0.078%	11.01
Share in profit/ loss of equity accounted investees	(4.013%)	(366.96)	(0.246%)	(34.90)
Losses of Subsidiary not available for set-off in Group profit	0.222%	20.31	0.192%	27.30
Deferred tax assets on Unrealised profits	0.310%	28.32	0.190%	27.04
Deferred tax Liability on Undistributed earnings	0.000%	-	0.000%	-
Adjustments recognised in current year in relation to the current tax of prior years	(2.045%)	(187.02)	0.117%	16.63
Others	(0.021%)	(1.88)	(0.388%)	(55.04)
Income Tax Expense*	20.226%	1,849.39	24.893%	3,534.11

*Includes Tax effect of ₹ 53.95 Crore (2020-21 : ₹ Nil Crore) on depreciation of right of way considered allowable during the year.

(d) Movement in deferred tax balances

	Net balance	Recognised in		Net balance
	01.04.2021	Profit or Loss	OCI	31.03.2022
Deferred tax Asset				
Provision for Employee Benefits	145.18	25.31	-	170.49
Provision for Doubtful Debts & Receivables	372.78	(158.21)	-	214.57
Disallowance u/s 43B	16.34	33.38	-	49.72
Others	217.43	90.89	46.35	354.67
	751.73	(8.63)	46.35	789.45
Deferred Tax Liabilities				
Property, plant and equipment	6,180.09	512.51	-	6,692.60
Current investments	33.85	(7.61)	-	26.24
Others	0.00	28.32	-	28.32
	6,213.94	533.22	-	6,747.16
Deferred Tax (assets) / Liabilities	5,462.21	541.85	(46.35)	5,957.71

	Net balance	Recognised in		Net balance
	01.04.2020	Profit or Loss	OCI	31.03.2021
Deferred tax Asset				
Provision for Employee Benefits	134.76	10.42	-	145.18
Provision for Doubtful Debts & Receivables	175.04	197.74	-	372.78
Disallowance u/s 43B	16.14	0.20	-	16.34
Others	137.50	85.71	(5.78)	217.43
	463.44	294.07	(5.78)	751.73
Deferred Tax Liabilities				
Property, plant and equipment	5,909.13	270.96	-	6,180.09
Current investments	15.55	18.30	-	33.85
Others	30.20	(30.20)	-	0.00
	5,954.88	259.06	-	6,213.94
Deferred Tax (assets) / Liabilities	5,491.44	(35.01)	5.78	5,462.21

- (e) Short or (excess) provision for tax of earlier years, for the year ended March 31, 2022: Includes ₹ (180.18) Crore reversed during the year, pursuant to the decision for non-participation under Direct Tax Vivad se Vishwas Act, 2020, in respect of few assessment years.

Short or (excess) provision for tax of earlier years, for the year ended March 31, 2021: Includes ₹ 11.79 Crore of additional provision during 2020-21, (aggregating to a cumulative provision of ₹ 776.66 Crore) pursuant to the decision for participation under Direct Tax Vivad se Vishwas Act, 2020.

42. Revenue from Contracts with Customers

The revenue is recognised only upon satisfaction of performance obligation and whenever there are remaining performance obligations, the same is recognised as revenue, a) in case of amount received in advance from a Customer, when the product is delivered to the Customer, b) in case of loyalty points earned by Customer, when such points are redeemed / expire. Such remaining obligations, termed as Contract Liability under the IND-AS 115 'Revenue Recognition' at period end together with Trade Receivable is as under:

	(₹ / Crore)	
	31.03.2022	31.03.2021
Trade Receivables	6,340.31	6,869.99
Liabilities under contractual obligation	1,858.18	1,044.78

During the financial year, the Group recognized revenue of ₹ 856.32 Crore (2020-21: ₹ 801.78 Crore) arising from opening unearned revenue.

43. Leases

The Group enters into lease arrangements for underlying assets such as land, office premises, staff quarters. Upon 1st time adoption of Ind AS 116 in financial year 2019-20, the Group had chosen modified retrospective approach with exercising of options to use certain practical expedients. 'Lease Liability' and 'Right-of-use Assets', wherever the term of lease is in excess of 12 months have been appropriately disclosed, unless the underlying Asset is of low value.

A. Maturity analysis of lease liabilities

The amounts disclosed in the table below are the contractual undiscounted cash flow:

	(₹ / Crore)	
	31.03.2022	31.03.2021
Less than one year	379.74	322.38
Between one and three years	740.03	632.97
More than three years	6,563.49	5,682.52
	7,683.26	6,637.87

B. Other Disclosures

	(₹ / Crore)	
Particulars	31.03.2022	31.03.2021
a) Expense relating to short-term leases	987.64	846.16
b) Expense relating to leases of low-value assets*	5.85	5.21
c) Expense relating to variable lease payments not included in the measurement of lease liabilities	5,547.24	4,826.02
d) income from sub-leasing of 'right-of-use'	55.16	45.46
e) Interest expense on lease liabilities	271.78	245.46
f) Total cash outflow for leases	383.58	310.55

* Lease of items such as Personal Computers, Laptops, Printers, Photocopiers, Scanners etc., small items of furniture & fixtures and Other Office Equipment including Digital devices and Point of Sales Machines provided at customer touch points are treated as low-value leases under Ind-AS 116, Leases.

C. The following are the carrying values of Right of use ("ROU") assets

Particulars	Class of Underlying Asset			
	Land	Buildings	Plant & Equipment	Total
(₹ / Crore)				
Gross Block				
As on 01.04.2021	4,076.84	118.45	25.25	4,220.54
Additions	1,002.18	13.42	-	1,015.60
Deductions/ Reclassifications	228.31	6.07	-	234.38
As on 31.03.2022	4,850.71	125.80	25.25	5,001.76
Depreciation/ Amortisation				
As on 01.04.2021	345.02	27.42	2.95	375.39
For the year	221.95	27.89	5.05	254.89
Deductions/ Reclassifications	47.51	3.80	-	51.31
As on 31.03.2022	519.46	51.51	8.00	578.97
Net Block as on 31.03.2022	4,331.25	74.29	17.25	4,422.79

44. Earnings per share (EPS)

Basic EPS is derived by way of dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year, whereas Diluted EPS factors the effects of all dilutive potential ordinary shares.

	(₹ / Crore)	
	2021-22	2020-21
Profit attributable to equity holders for basic and diluted earnings per share (A)	7,294.23	10,662.89
Weighted average number of shares for basic and diluted earnings per shares (B) (refer Note 19 H(ii))	1,42,01,73,385	1,51,10,57,676
Basic and Diluted Earnings per Equity Share (₹) (A/B)	51.36	70.57

45. Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Group's debt to equity ratio, used for monitoring capital management is as follows:

	(₹ / Crore)	
	31.03.2022	31.03.2021
Total Debt (excluding Lease Liabilities) (refer note # 21 and 25)	44,978.73	40,683.84
Total Equity (refer Note # 19 and 20)	41,404.21	38,080.86
Debt to Equity ratio	1.09	1.07

46. Dividends

	(₹ / Crore)	
	31.03.2022	31.03.2021
(i) Dividends paid during the year		
Final dividend per fully paid share for the year ended 31.03.2021: ₹ 22.75 (31.03.2020: ₹ 9.75) .	3,227.20	1,485.73
(ii) Dividends to be paid, not recognised at the end of the reporting period		
The Board have recommended a final dividend of ₹ 14 per fully paid equity share (31.03.2021 : ₹ 22.75), subject to the approval of shareholders in the ensuing annual general meeting.	1,985.97	3,227.20

47. (a) Inter-Oil Company transactions are reconciled on a continuous basis. However, year end balances are subject to confirmation/reconciliation which is not likely to have a material impact.
- (b) Customer's accounts are reconciled on an ongoing basis and such reconciliation is not likely to have a material impact on the outstanding or classification of the accounts.
48. To the extent Micro and Small Enterprises have been identified, the outstanding balance, including interest thereon, if any, as at balance sheet date is disclosed on which Auditors have relied upon:

Particulars	31.03.2022		31.03.2021	
	Liability towards Capital Expenditure	Trade Payables	Liability towards Capital Expenditure	Trade Payables
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:				
- Principal	644.82	402.21	492.09	131.99
- Interest	-	-	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:				
- Principal	-	-	-	-
- Interest	-	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

49. Related Party Disclosure

A. Name of the Related Party and the nature of the relationship

1. Holding Company, Jointly controlled entities and Associates (Government related entities, except otherwise mentioned):

(a) Holding Company

- i. Oil & Natural Gas Corporation Limited

(b) Jointly controlled entities

- i. HPCL Rajasthan Refinery Limited
- ii. Bhagyanagar Gas Limited
- iii. Petronet MHB Limited
- iv. Mumbai Aviation Fuel Farm Facility Private Limited
- v. Godavari Gas Private Limited
- vi. Aavantika Gas Limited
- vii. Ratnagiri Refinery & Petrochemicals Limited
- viii. Ujjwala plus foundation
- ix. HPOIL Gas Private Limited
- x. IHB Limited

(c) Jointly controlled entities (Other than Government related entities)

- i. HPCL-Mittal Energy Limited
- ii. Hindustan Colas Private Limited
- iii. South Asia LPG Company Private Limited
- iv. Petronet India Limited (in process of voluntary winding up w.e.f. 30th August 2018)

(d) Associates

- i. GSPL India Gasnet Limited
- ii. GSPL India Transco Limited
- iii. Mangalore Refinery and Petrochemicals Limited

2. Key Management Personnel

- i. Shri Mukesh Kumar Surana, Chairman and Managing Director
- ii. Shri Pushp Kumar Joshi, Director - Human Resources
- iii. Shri Vinod S. Shenoy, Director - Refineries
- iv. Shri Rakesh Misri, Director - Marketing
- v. Shri Rajneesh Narang, Chief Finance Officer (CFO) : from 01st July 2021 & Director-Finance : from 22nd March 2022
- vi. Shri R. Kesavan, Director - Finance & CFO (up to 30th June 2021)
- vii. Shri V. Murali, Company Secretary (CS)

3. Independent Directors

- i. Shri G. Rajendran Pillai
- ii. Smt. Vimla Pradhan (from 16th November 2021)
- iii. Shri Bechan Lal (from 16th November 2021)
- iv. Shri Vivekananda Biswal (from 16th November 2021)
- v. Shri Ramdarshan Singh Pal (from 16th November 2021)
- vi. Dr. Nagaraja Bhalki (from 30th December 2021)
- vii. Shri Amar Sinha (up to 20th September 2020)
- viii. Shri Siraj Hussain (up to 20th September 2020)

**4. Government Nominee Directors**

- i. Shri Sunil Kumar
- ii. Dr. Alka Mittal (from 17th June 2021 to 04th January 2022)
- iii. Shri Subhash Kumar (upto 19th May 2021)

5. Post-Employment Benefits Plans

- i. Hindustan Petroleum Corp Limited Provident Fund
- ii. Hindustan Petroleum Corpn Ltd Employees Post Retirement Med Benefit Fund
- iii. Hindustan Petroleum Corp Ltd Employees Group Gratuity Assurance Scheme
- iv. Hindustan Petroleum Corpn Ltd Employees Superannuation Benefit Fund Scheme

Note: The disclosure requirements in respect of transactions with 'Government related entities', are exempted under Ind AS 24 Related Party Disclosures for the Parties named in 1(c) above are furnished as under:

B. Details of transactions with related parties

		(₹ / Crore)	
No.	Nature of Transactions	2021-22	2020-21
(i)	Sale of goods		
	HPCL-Mittal Energy Limited	81.07	35.73
	Hindustan Colas Private Limited	969.52	691.50
	South Asia LPG Company Private Limited	0.39	0.22
		1,050.98	727.45
(ii)	Purchase of goods		
	HPCL-Mittal Energy Limited	53,136.18	22,544.93
	Hindustan Colas Private Limited	405.23	240.85
		53,541.41	22,785.78
(iii)	Dividend income		
	HPCL-Mittal Energy Limited	300.04	-
	Hindustan Colas Private Limited	80.33	59.06
	South Asia LPG Company Private Limited	75.00	75.00
		455.37	134.06
(iv)	Services provided (Manpower Supply Service)		
	HPCL-Mittal Energy Limited	-	0.36
	Hindustan Colas Private Limited	3.46	2.53
	South Asia LPG Company Private Limited	0.87	0.64
		4.33	3.53
(v)	Lease rental income		
	HPCL-Mittal Energy Limited	1.20	1.20
	Hindustan Colas Private Limited	0.96	0.51
	South Asia LPG Company Private Limited	1.27	1.71
		3.43	3.42
(vi)	Other Income (Services provided)		
	HPCL-Mittal Energy Limited	29.95	16.65
	Hindustan Colas Private Limited	5.79	3.96
	South Asia LPG Company Private Limited	10.12	-
		45.86	20.61
(vii)	Others Expenses (Services availed)		
	HPCL-Mittal Energy Limited	18.97	16.06
	Hindustan Colas Private Limited	1.85	1.01
	South Asia LPG Company Private Limited	100.24	92.27
		121.06	109.34

Note: The above figures do not include taxes.

		(₹ / Crore)	
No.	Nature of Transactions	31.03.2022	31.03.2021
(viii)	Receivables		
	HPCL-Mittal Energy Limited	6.66	5.10
	South Asia LPG Company Private Limited	1.41	0.06
	Hindustan Colas Private Limited	36.24	-
		44.31	5.16
(ix)	Payables		
	HPCL-Mittal Energy Limited	4,502.47	2,528.52
	Hindustan Colas Private Limited	86.37	29.97
	South Asia LPG Company Private Limited	10.19	9.97
		4,599.03	2,568.46

(x) Transactions with Post Employment Benefit Plans managed through separate trust during the year ended March 31, 2022

(₹ / Crore)				
Name of the Trust	Post-Employment Benefit Plan	Contribution by Employer	Others*	Outstanding Receivable / (Payable)
Hindustan Petroleum Corp Limited Provident Fund	Provident Fund	161.93	(53.13)	13.93
Hindustan Petroleum Corpn Ltd Employees Post Retirement Med Benefit Fund	Post Retirement Medical Benefit	165.81	-	(140.99)
Hindustan Petroleum Corp Ltd Employees Group Gratuity Assurance Scheme	Gratuity	50.50	-	(18.38)
Hindustan Petroleum Corpn Ltd Employees Superannuation Benefit Fund Scheme	Superannuation benefit	115.66	34.23	-

Transactions with Post Employment Benefit Plans managed through separate trust during the year ended March 31, 2021

(₹ / Crore)				
Name of the Trust	Post-Employment Benefit Plan	Contribution by Employer	Others*	Outstanding Receivable / (Payable)
Hindustan Petroleum Corp Limited Provident Fund	Provident Fund	167.65	243.00	0.00
Hindustan Petroleum Corpn Ltd Employees Post Retirement Med Benefit Fund	Post Retirement Medical Benefit	216.65	-	107.69
Hindustan Petroleum Corp Ltd Employees Group Gratuity Assurance Scheme	Gratuity	85.88	0.07	50.50
Hindustan Petroleum Corpn Ltd Employees Superannuation Benefit Fund Scheme	Superannuation benefit	132.81	93.44	-

* Includes advance to PF Trust in FY 2020-21, partial return of it in FY 2021-22, credit towards LIC policy charges, payment to the death beneficiaries reimbursed through the Trust.

C. Transactions with other Government-Controlled Entities

The Group is a Government related entity mainly engaged in the business of refining of crude oil and marketing of petroleum products. The Group also deals on regular basis with entities directly or indirectly controlled by the Central / State Governments through its Government authorities, agencies, affiliations and other organizations (collectively referred as "Government related entities").

Apart from transactions with Corporations' group companies, the Group has transactions with other Government related entities, including but not limited to the followings:

- sale and purchase of products;
- leaseing of assets;
- use of public utilities
- rendering and receiving services;
- depositing and borrowing money; and

These transactions are conducted in the ordinary course of the Group's business on terms comparable to those with other entities that are not Government related.

D. Remuneration paid to Key Management Personnel (KMP)*

	(₹ / Crore)	
Description	2021-22	2020-21
(i) Short - Term Employee Benefits	4.97	3.12
(ii) Post - Employment Benefits	0.76	0.35
(iii) Other long-term employee Benefits	0.92	0.23
	6.65	3.70

* Remuneration to KMP has been considered from / to the date from which they became / ceased to be KMP.

E. Amount due from Key Management Personnel

	(₹ / Crore)	
Description	2021-22	2020-21
(i) Shri Mukesh Kumar Surana	-	0.09
(ii) Shri Vinod S Shenoy	0.03	0.05
(iii) Shri Rakesh Misri	-	0.07
(iv) Shri Rajneesh Narang	0.01	-
(v) Shri V. Murali	0.18	0.19
	0.22	0.40

F. Sitting Fee paid to Non-Executive Directors during the year ended March 31, 2022

	(₹ / Crore)					
Details of Meeting	Shri G. Rajendran Pillai	Smt. Vimla Pradhan	Shri Bechan Lal	Shri Vivekananda Biswal	Shri Ramdarshan Singh Pal	Dr. Nagaraja Bhalki
Board	0.05	0.02	0.02	0.02	0.02	0.02
Audit Committee	0.02	-	0.01	0.01	-	-
Stakeholders Relationship Committee	0.01	-	-	-	-	-
Nomination & Remuneration Committee	0.00	-	-	-	-	-
CSR & Sustainability Development Committee	0.02	-	-	-	-	-
Investment Committee	0.00	-	-	0.00	-	0.00
Independent Directors Meeting	0.00	0.00	0.00	0.00	0.00	0.00
Risk Management Committee	0.01	-	-	-	-	-
Total Sitting Fees	0.11	0.02	0.03	0.03	0.02	0.02

Sitting Fee paid to Non-Executive Directors during the year ended March 31, 2021

Details of Meeting	(₹ / Crore)		
	Shri G. Rajendran Pillai	Shri Siraj Hussain	Shri Amar Sinha
Board	0.04	0.02	0.02
Audit Committee	0.01	0.02	0.02
Stakeholders Relationship Committee	0.00	-	-
Nomination & Remuneration Committee	0.00	-	-
CSR & Sustainability Development Committee	0.01	-	0.00
Investment Committee	-	0.01	0.01
Independent Directors Meeting	0.00	-	-
Total Sitting Fees	0.06	0.05	0.05

50. The Group has entered into production sharing Oil & Gas exploration contracts in India in consortium with other body corporates except for one block (Cluster-7) which is a service contract. The details are as under:

Name of the Block	Participating Interest of Group in %	
	31.03.2022	31.03.2021
In respect of HPCL		
In India		
Under NELP IV		
KK- DWN-2002/2	20.00	20.00
KK- DWN-2002/3	20.00	20.00
CB- ONN-2002/3	15.00	15.00
Under NELP V		
AA-ONN-2003/3	15.00	15.00
Under NELP VI		
CY-DWN-2004/1	10.00	10.00
CY-DWN-2004/2	10.00	10.00
CY-DWN-2004/3	10.00	10.00
CY-DWN-2004/4	10.00	10.00
CY-PR-DWN-2004/1	10.00	10.00
CY-PR-DWN-2004/2	10.00	10.00
KG-DWN-2004/6	10.00	10.00
MB-OSN-2004/1	20.00	20.00
MB-OSN-2004/2	20.00	20.00
RJ-ONN-2004/1	22.22	22.22
RJ-ONN-2004/3	15.00	15.00
Under NELP IX		
MB-OSN-2010/2	30.00	30.00
Cluster - 7	60.00	60.00
In respect of PPCL		
In India		
South Rewa – PSC	10.00	10.00
Sanganpur – PSC	50.00	50.00
Hirapur – SC	-	50.00
Outside India		
Yolla Field (Australia) Licence T/L-1	11.25	11.25
Trefoil Field (Australia) Permit T/18P	9.75	9.75

**a) In Respect of HPCL**

- (i) The block CB-ONN-2002/3 was awarded under NELP IV bidding round and the production sharing contract was signed on 06.02.2004. The exploration Minimum Work Program has been completed. Production from SE#3/4 wells of the Block is in progress, which had started during FY 2017-18. The share of the assets, liabilities, income and expenditure is considered based on the Management certified financials for the FY 2021-22.
- (ii) In respect of Cluster – 7, which is terminated and the matter is under litigation (refer Note 53.1). The remaining blocks are in the process of relinquishment/ under relinquishment and the share of the assets, liabilities, income and expenditure, if any, is considered based on information received towards these blocks.

b) In Respect of PPCL**1.1 ONGC Onshore Marginal Fields**

The Company was awarded Service Contracts dated 28th April, 2004, for development of ONGC's Hirapur, Khambel and West Bechrapi onshore marginal oil fields.

The Company executed Agreements for development of Hirapur, Khambel and West Bechrapi onshore marginal fields with Valdel Oil and Gas Private Limited (VALDEL) with equal share in the Service Contracts. The Service Contracts in respect of Khambel and West Bechrapi had been terminated in February, 2009 by ONGC.

Hirapur Service contract was terminated on 25th March 2021. The field handed over to ONGC, which includes five wells (P#1, P#2, P#3, H#1 and H#2) and associated fixed assets. The handing over document was signed on August 17, 2021. Total Assets of ₹11.33 crores (Gross Block) have been written off in the books of PPCL (PPCL share 50%), during the current Financial Year 2021-22.

The Company's share of assets and liabilities as at 31st March 2022 and the Income and expenditure for the year in respect of above joint venture is as follows:

Particulars	(₹ / Crore)	
	2021-22	2020-21
A. Property, Plant & Equipment (Gross)	-	9.99
B. Intangible asset under development	-	1.36
C. Other Net Non-Current Assets	0.37	0.29
D. Net Current Assets (*)	4.79	4.11
E. Income	0.12	0.65
F. Expenditure	9.44	1.82

(*) Includes receivable from joint venture amounting to ₹ 4.55 Crore (2020-21: ₹ 3.92 Crore).

1.2 Sangapur Field

The Company acquired 50% participating interest in Sangapur field from M/s Hydrocarbon Development Company Pvt. Ltd. (HDCPL) effective 1st September, 2004. Accumulated amount prior to acquisition of Sangapur field amounting ₹ 1,18,17,034/- have been included in Sangapur field Assets. The Company has accounted its proportionate share in the Sangapur field based on estimated un-Audited accounts as at 31st March, 2017.

In FY 2014-15, the operator of the block M/s HDCPL has committed default in the payment to its contractor. The petition was filed by contractor ETA Star Golding limited for non-payment of its invoices by M/s HDCPL in their another asset wherein Bombay High Court vide order dated 14th Nov, 2014 in Company Petition 550 of 2013 had passed order for appointment of liquidator for assets and business of Company M/s HDCPL. However, as per Production Sharing contract (PSC), the ownership of underlying hydrocarbon lies with GoI, hence Sangapur field was not attached and operations in the field were continued. Further, MoP&NG vide its letter dated June 2, 2017 has terminated the PSC and all operations in the field were called off. Since the appointment of official liquidator, the bank account of HDCPL were seized, HDCPL has neither raised any invoice to IOCL for transfer of crude nor raised any cash call to PPCL for operation in the field. The payment of Royalty and Cess to concerned authorities are also pending since then.

Said order of Bombay High Court was challenged by HDCPL before its Division Bench and is still pending before the Court. In the meantime, HDCPL had initiated an arbitration proceeding against MoP&NG for termination of PSC. However, PPCL is not a part of it. Under Section 9 of Arbitration and Conciliation Act, Directorate General of hydrocarbon (DGH) on behalf of MoP&NG has initiated proceeding for possession of the field.

MoP&NG vide its letter dated June 2, 2017 has terminated the PSC. Accordingly, Company had created a provision for write-off of Sangapur Assets of ₹ 6.65 Crore in FY 2017-18. During current Financial Year 2021-22 amount of ₹ (0.12 Crore) transferred to provision for write-off of Sangapur Assets.

The Company's share of assets and liabilities as at 31st March 2022 and the Income, expenditure for the year in respect of above joint venture is as follows:

Particulars	(₹ / Crore)	
	2021-22	2020-21
A. Property, Plant & Equipment (Gross)	-	-
B. Other Net Non-Current Assets	-	(0.02)
C. Net Current Assets (*)	-	(0.10)
D. Income	-	-
E. Expenditure	-	-

(*) Includes payable to joint venture amounting to ₹ Nil Crore (2020-21: ₹ 0.04 Crore)

1.3 ONGC Offshore Marginal Fields (Cluster-7)

The Company along with Consortium member, M/s Hindustan Petroleum Corporation Limited (HPCL) (PI - 60%) and M/s M3nergy (PI - 30%) was awarded a Contract vide letter of award dated 31st March, 2006 for the development of ONGC's offshore marginal Oilfields viz. B -192, B - 45 and WO - 24. The Service Contract for Cluster-7 was signed on 27th September, 2006 between ONGC and Consortium members. The Company is the Executing Contractor and its participating interest (PI) is 10%.

The said Service Contract was terminated by ONGC. Subsequently, HPCL/PPCL started arbitration proceedings against M3nergy which are still in progress, hence the joint bank account has not been closed.

1.4 SR - ONN - 2004 / 1 (South Rewa Block)

The Company along with Consortium member M/s Jaiprakash Associates Limited (PI - 90%) was awarded PSC for the SR-ONN-2004/1 block vide letter dated 12th February, 2007 of Ministry of Petroleum & Natural Gas (MOP & NG) under NELP - VI round. The Company is the executing contractor and its PI is 10%. The PSC was signed on 2nd March, 2007.

Consortium has proposed to relinquish the block effective from 23rd October, 2014 and Operating Committee Resolution (OCR) for relinquishment of the block has been submitted to Directorate General of Hydrocarbon (DGH). DGH vide its letter dated Feb. 5, 2018 has communicated that the Block stands relinquished with effect from 23.10.2014 subject to the compliance of PSC and the P&NG rules.

The South Rewa Block has standing inventory of ₹ 3.76 crores in which the company has share of 10%. The company is in the process of carrying out elaborate valuation of the inventory for further disposal. The same has been recorded at cost.

The Company's share of assets and liabilities as at 31st March, 2022 in respect of above joint venture is as follows:

Particulars	(₹ / Crore)	
	2021-22	2020-21
A. Property, Plant & Equipment (Gross)	0.00	0.00
B. Intangible asset under development	-	-
C. Other Net Non-Current Assets	0.01	0.01
D. Net Current Assets (*)	3.05	3.06
E. Expenditure	0.01	0.01

(*) Includes receivables from joint venture amounting to ₹ 2.67 Crore (2020-21: ₹ 2.68 Crore)

2. Estimated Hydrocarbon Proven Reserves as on 31st March, 2022 in the Oil fields as follows:

a) Domestic Operations (Hirapur - On-shore Marginal Fields)

Particulars	2021-22		2020-21	
	MM BBLs	MMT	MM BBLs	MMT
Recoverable Reserves (*)	-	-	2.344	0.315

(*) The Company Share is 50% of total.

b) International Operations (Yolla Field, Australia – License T/L 1 – Offshore Field)

Particulars	2021-22	2020-21
	MM BoE	MM BoE
Recoverable Reserves (*)	0.889	1.036

(*) For respective share of the Company

3. Quantitative Particulars of Petroleum:

Total Dry Crude Production	2021-22	2020-21
	BoE	BoE
Hirapur Field (*)	1,846	11,823
Yolla Field (T/L1) Australia	1,67,170	2,83,149
Total Dry Crude Production	1,69,016	2,94,972

51. The future cash flows have been worked out based on the desired margins and impairment assessment has been carried out for all of the Cash Generating Units. Since there do not exist any indication of impairment of assets as at Balance Sheet date, no impairment has been considered necessary. In view of assumptions being technical, peculiar to the industry and Government policy, the auditors have relied on the same.

52. During the financial year 2021-22, the Group has spent ₹ 126.06 Crore (2020-21: ₹ 156.35 Crore) towards Corporate Social Responsibility (CSR) as against the approved amount to be spent of ₹ 135.57 Crore (2020-21: ₹ 129.97 Crore):

		(₹ / Crore)	
No.	Head of Expenses	2021-22	2020-21
1	Promoting Education	16.56	10.10
2	Promoting Health Care	84.59	130.51
3	Empowerment of Socially and Economically Backward groups	3.90	6.56
4	Promotion of Nationally recognized and Para-Olympic Sports	0.09	-
5	Imparting Employment by Enhancing Vocation Skills	4.00	2.50
6	Swachh Bharat Abhiyaan	3.28	3.77
7	Environment Sustainability	8.00	-
8	Rural Development	0.75	-
9	Others	4.89	2.91
		126.06	156.35

Amount spent during the financial year 2021-22 on

(₹ / Crore)

No.	Details	In cash	Yet to be paid in cash	Total
(i)	Construction / Acquisition of assets controlled by the Group	-	-	-
(ii)	On purpose other than (i) above	123.58	2.48	126.06

Amount spent during the financial year 2020-21 on

(₹ / Crore)

No.	Details	In cash	Yet to be paid in cash	Total
(i)	Construction / Acquisition of assets controlled by the Group	-	-	-
(ii)	On purpose other than (i) above	155.02	1.33	156.35

Excess / Short amount spent:

	(₹ / Crore)	
Particulars	2021-22	2020-21
Gross amount required to be spent during the year	161.86	129.97
Amount set off from excess spent during previous year	(26.38)	-
Surplus arising out of CSR projects	-	-
Unspent CSR expenditure carried forward from previous year	-	-
Total CSR obligation for the year	135.48	129.97
Amount allocated for expenditure during the year*	135.57	156.35
Amount spent during the year	126.06	156.35
Amount available for set off in succeeding years	-	26.38
Provision created for shortfall at the end of the year*	9.51	-

- * The shortfall is mainly on account of delay in completing the ongoing projects as per timelines, due to restrictions imposed on account of COVID-19 pandemic. In compliance with statutory provisions, the amount of shortfall has been transferred to UCSRA (Unspent CSR Account) on April 26, 2022 and would be spent in accordance with the applicable CSR Rules. In terms of the statutory obligation, while the shortfall is ₹ 9.42 Crore, by virtue of a higher transfer of amount to UCSRA at ₹ 9.51 Crore and the Group not intending to carry-forward the excess to the subsequent financial year, the shortfall is treated as though ₹ 9.51 Crore for the purpose of this disclosure.

53. Contingent Liabilities and Commitments*

	(₹ / Crore)	
I. Contingent Liabilities	31.03.2022	31.03.2021
A. Disputed demands / claims subject to appeals / representations filed by the Group		
i. Income Tax	4.10	4.18
ii. Sales Tax/Octroi	1,691.90	1,677.90
iii. Excise/Customs	346.92	411.98
iv. Land Rentals & Licence Fees	293.96	238.92
v. Employee Benefits/Demands (to the extent quantifiable)	57.28	52.44
vi. Others	100.76	94.52
	2,494.92	2,479.94
B. Disputed demands / claims subject to appeals / representations filed against the Group		
i. Income Tax	2.78	1.42
ii. Sales Tax/Octroi	8.09	8.19
iii. Excise/customs	580.41	395.74
iv. Employee Benefits/Demands (to the extent quantifiable)	93.94	338.84
v. Claims against the Group not acknowledged as Debts (refer Note 53.1)	655.15	533.84
vi. Others	428.88	360.52
	1,769.25	1,638.55

* Contingent Liabilities considered as 'remote' as per Ind AS 37 are not included.

	(₹ / Crore)	
	31.03.2022	31.03.2021
II. Guarantees given to others	1,080.65	1,730.37

(Includes ₹ 1159.96 Crore (31.03.21 : ₹ 901.30 Crore) towards share of jointly controlled entities and associates)

(Includes ₹ 276.74 Crore (31.03.21 : ₹ 266.94 Crore) towards share of jointly controlled operations)

- 53.1. The Group with a Participating Interest (PI) of 70% along with M/s M3nergy Sdn. Bhd (M/s M3nergy) (PI-30%) were awarded service contract in March, 2006 for development of ONGC's offshore marginal oilfields of cluster-7. PPCL was the executing contractor. Parties provided necessary Bank Guarantees to ONGC. Since M/s M3nergy could not meet their contractual obligations, the contract was terminated by ONGC and Bank guarantees were forfeited. The Group demanded the refund of the monies forfeited towards encashment of Bank Guarantee along with other claims from M/s M3nergy. A counter claim of 42.60 Million USD was made by M3nergy on termination of such service contract. The matter was referred to Arbitration.

The Arbitral Tribunal passed 3 Awards (09.01.2014, 27.09.2017, 15.06.2018 respectively), all were in favour of the Group. These Orders were to the effect that M3nergy had committed breach of the contract and hence their counter claims were disallowed and that the Group is entitled for damages with interest and costs of arbitration to be borne by M3nergy. All the 3 Awards were challenged by M/s M3nergy before the Bombay High Court. However, there was no stay granted by Bombay High Court, hence, the Group filed applications for (a) Mareva Injunction and (b) Enforcement of the Award before the Courts in Malaysia since M/s M3nergy is located in Malaysia.

By Orders dated 10.01.2019 the Hon'ble Bombay High Court set aside all three Arbitration Awards. As the Awards were set aside (on the basis of which the enforcement application was filed by HPCL), on 28.02.2019 the Malaysian High Court at Kuala Lumpur allowed the application of M/s M3nergy to set aside the enforcement order with liberty to file fresh proceedings, if the Group succeed later. Meanwhile, the Group have filed Appeals against the setting aside order (of Single Judge Bombay High Court) before the Division Bench of the Bombay High Court. After hearing arguments of parties, on 16.10.2019, the Hon'ble Bombay High Court set aside the Single Judge's Order and remanded all the 3 matters back to the Single Judge of the High Court, to decide the matter afresh on merits. This Order was challenged by M/s M3nergy before the Supreme Court by filing Special Leave Petition (SLP) which, after brief arguments, was dismissed as withdrawn (by M/s M3nergy) on 31.01.2020. As a result, the Single Judge of Bombay High Court will hear the matter afresh on merits. The matter was lastly listed on 18.01.2022, but could not be taken up.

As a result, Group's share of the awarded amount which is approximately ₹ 490.87 Crores towards loss of profit/damages/costs and interest thereon has not been recognized on a conservative basis. Further, the claim raised by M3Energy to the extent of Group's share i.e. approximately ₹ 276.74 Crores (@ Exchange rate of 1 USD = ₹ 75.7975), being considered remote is also not recognised.

53.2. In respect of PPCL

Company was awarded an Exploration block AA ONN 2010/1 in Tripura under NELP IX in consortium with ABG Energy Ltd (ABG). The Production Sharing Contract (PSC) was signed with Government of India (GOI) by the consortium on August 30, 2012. Company has 20% Participating Interest (PI) and ABG 80% PI. As per the Joint Bidding agreement, ABG will carry Company during the exploration phase i.e. Company's share of 20% expenditure during exploration phase shall be borne by ABG. In case of any discovery, 10% of Company's share paid by ABG will be recovered by them out of profit and 10% will be paid by them anyway. As per discussions before signing of PSC and written confirmation, ABG was to submit back up guarantee to Company so that Company can submit bank guarantee to GOI for their share of 20%. The value of bank guarantee to be submitted by ABG to Company is USD 1.801 Million. ABG did not submit bank guarantee of their 80% share by due date to GOI. In addition, since back up guarantee was not submitted by ABG to Company, Company also could not submit the bank guarantee for their 20% share to GOI.

In view of non-submission of bank guarantee, GOI terminated the PSC vide letter dated 15th October 2013 and imposed liquidated damages of USD 9.143 Million vide letter dated 6th Feb 2015 as per Article 5.6 of PSC. Company has kept ABG on notice that it is their responsibility to pay the entire quantum of liquidated damages, including the share of Company. If Company is compelled to pay its share of liquidated damages by the GOI, and if such payment is made, then company will have to claim this money from ABG.

Company had invoked arbitration against ABG in the matter on 10th October 2016. After appointment of arbitrator on behalf of ABG by Delhi High Court Order dated 22nd September 2017, three-member tribunal had been constituted. The first sitting of the Arbitral Tribunal was held at New Delhi on 6th April 2018. Arbitral Tribunal has passed award for an amount of USD 1.801 Million with interest on 30th October 2019 in favor of PPCL along with costs of proceedings. The award is subject to the condition that on receipt of the amount by PPCL from ABG, it shall be passed on by PPCL to GOI within a period of three months from the date of receipt of the amount. Company had issued several demand notices to ABG energy, but all these notices were returned unattended by ABG. Company has also attempted to identify the assets of ABG so that execution of the award can be filed in the court.

	(₹ / Crore)	
III. Commitments	31.03.2022	31.03.2021
Estimated amount of contracts remaining to be executed on Capital Account not provided for (net of advances)	46,661.55	42,668.04
(Includes ₹ 32,099.64 Crore (31.03.21 : ₹ 23,442.61 Crore) towards share of jointly controlled entities and associates)		

Note: The above are made based on estimates and expected timing of outflows is not ascertainable at this stage.

	(₹ / Crore)	
	2021-22	2020-21
54. Interest on borrowings capitalized (weighted average cost of borrowing rate used for capitalization of general borrowing is 4.37% (2020-21 : 1.53%).	1,226.19	719.46

- 55.** In compliance of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets', the requisite information with respect to movement in balance is as under:

	(₹ / Crore)				
Particulars	Opening Balance as on 01.04.21	Additions	Utilization	Reversals	Closing Balance as on 31.03.22
Excise	3.47	-	-	-	3.47
Sales Tax/Octroi/Entry Tax	376.99	3.37	-	13.26	367.10
Others	724.08	295.17	20.80	63.14	935.31
Net	1,104.54	298.54	20.80	76.40	1,305.87

	(₹ / Crore)				
Particulars	Opening Balance as on 01.04.20	Additions	Utilization	Reversals	Closing Balance 31.03.21
Excise	-	4.43	0.67	0.29	3.47
Sales Tax/Octroi/Entry Tax	200.62	194.93	1.47	17.09	376.99
Others	526.59	376.64	131.81	47.34	724.08
Net	727.21	576.00	133.95	64.72	1,104.54

The above provisions are made based on estimates and expected timing of outflows is not ascertainable at this stage.

- 56.** The Pradhan Mantri Ujjwala Yojana (PMUY) was launched in 2016 to provide LPG connections to women from below-poverty-line (BPL) households. The beneficiary is given an option to avail loan from the respective OMCs to meet the cost of the stove and first fill. This loan is to be recovered from the subsidy payable to the consumer on purchase of the refill cylinders. The loan has been provided to 1.76 Crores PMUY consumers for an amount aggregating to ₹ 2,962.33 Crore (31.03.2021: ₹ 2,963.01 Crore), and of this, ₹ 1,705.32 Crore (31.03.2021: ₹ 1,882.25 Crore) is outstanding at period end. The Loan is classified as 'subsequently measured at amortized cost' in the financial statements. Considering the decline in the average subsidy of LPG during the year at ₹ 29/- (2020-21: ₹ 42/-) per cylinder and the consequential increase in loan tenure, the carrying value of loan outstanding as at Balance Sheet date is re-measured based on revised estimates of future cash flows. Such re-measurement loss resulted in further reduction in gross carrying amount of outstanding loan, net of interest unwinding, by ₹ 251.85 Crore (2020-21: ₹ 273.11 Crore) during the year. Considering the cumulative re-measurement loss, net of interest unwinding, amounting to ₹ 524.96 Crore (31.03.2021: ₹ 273.11 Crore) and accounting of Deferred Expense amounting to ₹ 528.29 Crore (net balance after amortisation as of 31.03.2022 is ₹ 387.16 Crore), the outstanding loan at period end is carried in the books at ₹ 652.07 Crore (31.3.2021: ₹ 1,080.85 Crore). Further, considering the consumption pattern of refills, level of subsidies and consequential impact on repayment of the loan, by following the principles of prudence and conservatism, net of reversal, if any, a cumulative provision of ₹ 118.70 Crore (31.03.2021: ₹ 618.07 Crore) is estimated and recognized in books. The reversal of provision during the year amounted to ₹ 499.37 Crore (2020-21: a provision of ₹ 390.67 Crore) that arose primarily due to inactive consumer turning active, pursuant to focused initiatives taken in this regard. The expected credit loss estimate is reasonable.



57. Pursuant to completion of tenure in Office & consequential cessation of 2 of the Independent Directors, the number of Independent Director in the Board at the commencement of the financial year has got reduced to 1 only, which was less than the minimum number of Independent Directors required in terms of the provisions of the Listing Agreement and the Companies Act, 2013. This was also not in line with the requirement under the relevant SEBI Regulations for the Board to have independent Women Director. During the financial year 2021-22, the Corporation approached the administrative ministry for appointment of requisite number of Directors for compliance of the provisions of the Listing Agreement and the Companies Act, 2013. During the financial Year 2021-22, MOP&NG appointed 5 Independent Directors on the Board, i.e. Four Independent Directors on November 16, 2021 and One Independent Director on December 30, 2021. Thereafter, the Corporation is compliant of all the provisions relating to Composition of Board and the Statutory Board Level Committees prescribed under the Act. This position has been continuing as on the date of approval of Financial Statements for the Financial Year 2021-22.

58. The Group implements various schemes of Government of India, such as - PMUY, Direct Benefit Transfer scheme, wherein the amount is either received in advance or reimbursed subsequently. As of 31.03.2022, reimbursements amounting to ₹ 152.11 Crore (31.03.2021: ₹ 215.92 Crore) are pending for a period beyond 6 months. Being dues from Government, no provision has been considered necessary.

59. During 2020-21, towards non-controlling interest, "Other reserve" was created by Mangalore Refinery Petrochemicals Limited (MRPL) pursuant to acquisition of additional shares of 48.9981% from Oil and Natural Gas Corporation Limited (ONGC) in ONGC Mangalore Petrochemicals Limited (OMPL) as on January 1, 2021.

During 2021-22, pursuant to the scheme of Amalgamation approved by the Ministry of Corporate Affairs (MCA) [vide its order No. 24/3/2021-CL-III dated April 14, 2022], OMPL has been amalgamated with MRPL with effect from April 1, 2021. In line with Ind AS 103 - Business Combinations, MRPL's consolidated financial statements as on 31.03.2022, in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period i.e. with effect from April 1, 2020. As a result, the loss attributable to Non- Controlling Interest for the period 2020-21 has been restated as if attributable to the Owners of the MRPL in entirety and has been adjusted in "Retained Earnings". In this regard, HPCL's share towards such loss is ₹33.48 Crore and the same was considered as "Other reserve" and disclosed under "Retained Earnings" in the HPCL's Consolidated Financial Statements for the year ended 31.03.2021.

60. Threshold limits adopted in respect of financial statements is given below

Threshold item	Unit of Measurement	Threshold Limit
Capitalization of spare parts meeting the definition of property plant and equipment.	₹ Lakhs	15.00
Deprecation at 100% in the year of acquisition except LPG cylinders and pressure regulators.	₹	10,000.00
Income / expenditure pertaining to prior year (s)	₹ Crore	175.00
Prepaid expenses	₹ Lakhs	7.50
Disclosure of contingent liabilities	₹ Lakhs	5.00
Disclosure of capital commitments	₹ Lakhs	5.00
Refundable Non-current Financial Deposits not yielding Interest excluded from fair-valuation.	₹ Lakhs	50.00
Deposits such as those placed with Utility Entities are charged to revenue in the year of payment	₹	10,000.00

61. Segment reporting

A. Basis for segmentation

There are no reportable segments other than downstream petroleum, as per para 13 of Ind AS 108, Operating Segments. Accordingly, basis of segmentation by the Group is as under:

- (i) Downstream Petroleum, engaged in Refining and Marketing of Petroleum products.
- (ii) All other segments, engaged in Exploration & Production of hydrocarbons, manufacturing sugar and ethanol etc.

The Company's Chairman, the Chief Operating Decision Maker for the Group, periodically reviews the internal management reports and evaluates performance/allocates resources based on the analysis of various performance indicators relating to the segments referred to above.

B. Information about reportable segments

(₹ / Crore)

For the year ended 31.03.2022	Reportable segments				
Particulars	Downstream Petroleum	All other	Total Segments	Adjustments & Eliminations	Consolidated
Revenue					
External Customers	3,73,849.76	277.23	3,74,126.99	-	3,74,126.99
Inter-segment	3.23	66.87	70.10	(70.10)	-
Total Revenue	3,73,852.99	344.10	3,74,197.09	(70.10)	3,74,126.99
Segment profit / (loss) [EBIT]	8,071.97	(40.84)	8,031.13	(408.68)	7,622.45
Interest Income / (expenses) :					
Interest Income					1,060.44
Interest expense					(997.32)
Profit before tax and share of Profit in equity accounted investees					7,685.57
Share of profit of equity accounted investees					1,458.05
Profit before tax (PBT)					9,143.62
Income tax expense					(1,849.39)
Profit after Tax (PAT)					7,294.23
Other Comprehensive Income (Net of Tax)					221.36
Total Comprehensive Income					7,515.59
Segment assets	1,50,589.43	4,038.76	1,54,628.19		1,54,628.19
Segment liabilities	1,11,117.99	2,105.99	1,13,223.98		1,13,223.98
Other disclosures:					
Depreciation and amortization	3,936.65	63.98	4,000.63	(0.27)	4,000.36
Investment in equity accounted investees					12,840.27
Material non-cash items other than depreciation and amortisation					(421.46)
Capital expenditure					15,054.61



(₹ / Crore)

For the year ended 31, 2021		Reportable segments			
Particulars	Downstream Petroleum	All other	Total Segments	Adjustments & Eliminations	Consolidated
Revenue					
External Customers	2,70,333.36	244.60	2,70,577.96	-	2,70,577.96
Inter-segment	2.15	24.26	26.41	(26.41)	-
Total Revenue	2,70,335.51	268.86	2,70,604.37	(26.41)	2,70,577.96
Segment profit / (loss) [EBIT]	14,057.24	(46.23)	14,011.01	(90.07)	13,920.94
Interest Income / (expenses) :					
Interest Income					1,100.68
Interest expense					(963.28)
Profit before tax and share of Profit in equity accounted investees					14,058.34
Share of profit of equity accounted investees					138.66
Profit before tax (PBT)					14,197.00
Income tax expense					(3,534.11)
Profit after Tax (PAT)					10,662.89
Other Comprehensive Income (Net of Tax)					153.43
Total Comprehensive Income					10,816.32
Segment assets	1,31,449.13	2,724.72	1,34,173.85		1,34,173.85
Segment liabilities	94,703.72	1,389.27	96,092.99		96,092.99
Other disclosures :					
Depreciation and amortization	3,552.66	73.08	3,625.74	(0.27)	3,625.47
Investment in equity accounted investees					9,333.88
Material non-cash items other than depreciation and amortisation					183.74
Capital expenditure					13,712.50

C. Geographic information

The geographic information analyses the Group's revenue and non-current assets by the country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographic selling location and segment assets were based on the geographic location of the respective non-current assets.

(₹ / Crore)

Geography	For the year ended 31.03.2022	For the year ended 31.03.2021
(i) Revenue		
India	3,66,869.33	2,67,517.00
Other Countries	7,257.66	3,060.96
Total Revenue	3,74,126.99	2,70,577.96
(ii) Non-Current Assets*		
India	1,02,967.66	88,515.21
Other Countries	183.68	136.04
Total Non-Current Assets	1,03,151.34	88,651.25

* non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising from insurance contracts

D. Information about major customers

In case of the Group, approximately 13% of the revenues are derived from customers under common control.

62. Summarised financial information for Joint Ventures and Associates

I. Summarised financial information for Joint Ventures and Associates that are material to the reporting entity as per Ind AS 112*:

Particulars	HMEL		MRPL	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
(₹ / Crore)				
Assets:				
Non-Current Assets	46,248.28	44,752.18	24,640.32	24,476.30
Current Assets				
Cash and Cash equivalents	1,581.20	902.10	5.52	25.83
Other Current Assets (excluding cash and cash equivalents)	14,819.01	8,168.69	15,328.70	9,883.90
Total (A)	62,648.49	53,822.97	39,974.54	34,386.03
Liabilities:				
Non-Current Liabilities				
Non-Current Financial Liabilities (excluding Trade / Other Payables and Provisions)	32,976.20	32,150.60	14,416.75	15,906.50
Other Non-Current Liabilities	4,416.61	3,558.98	488.05	480.89
Current Liabilities				
Current Financial Liabilities (excluding Trade / Other Payables and Provisions)	3,639.84	2,049.00	7,665.38	9,135.98
Other Current Liabilities	10,430.45	5,594.60	10,291.79	4,957.95
Total (B)	51,463.10	43,353.18	32,861.97	30,481.32
Net Assets included in Financial Statement of Joint Venture / Associate	11,185.39	10,469.79	7,112.58	3,904.71
Ownership Interest	48.99%	48.99%	16.96%	16.96%
Carrying amount of Interest in Joint Venture/ Associate	5,480.00	5,129.42	1,205.94	662.04
Quoted Market Value of Shares	N.A.	N.A.	1,236.16	1,152.96

* The information provided above is after considering adjustment due to alignment of accounting policies and inter-company eliminations.

Other Information	HMEL		MRPL	
	2021-22	2020-21	2021-22	2020-21
(₹ / Crore)				
Revenue	89,551.21	51,730.48	86,063.68	50,795.81
Interest Income	41.91	51.55	35.34	18.03
Interest Expenses	999.30	918.26	1,207.31	554.47
Depreciation	1,080.03	1,027.17	1,087.72	1,158.04
Income tax expenses	2,831.19	(61.27)	(246.94)	(153.96)
Profit / (Loss) for the year	1,458.24	318.29	3,204.82	(912.56)
Other Comprehensive Income (Net of Tax)	(130.30)	253.83	3.19	2.05
Total Comprehensive Income for the year	1,327.94	572.12	3,208.01	(910.51)
Dividend Received from the material Joint Venture / Associate	300.04	-	-	-

II. Details of all individually immaterial equity accounted investees

	Joint Ventures		Associates	
	2021-22	2020-21	2021-22	2020-21
(₹ / Crore)				
Carrying amount of Investment in equity accounted investees	5,904.06	3,318.88	250.27	223.54
Group's Share of Profit or Loss from Continuing Operations	209.29	142.83	(9.05)	(5.38)
Group's share in other comprehensive income	0.14	0.01	0.02	0.04
Group's share in Total Comprehensive Income	209.43	142.84	(9.03)	(5.34)

63. Employee benefit obligations

A: Provident Fund

The long term employee benefit of Provident Fund is administered through a separate Trust, established for this purpose in accordance with The Employee Provident Fund and Miscellaneous Provisions Act, 1952. The Group's contribution to the Provident Fund is remitted to this trust based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. During the year, the Group has recognized ₹ 161.93 Crore (2020-21: ₹ 167.65 Crore) as Employer's contribution to Provident Fund in the Statement of Profit and Loss.

Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, will be made good by the Group and charged to Statement of Profit and Loss. During the year, the actual return earned by the fund has been higher than the Government specified minimum rate of return. There did not arise a shortfall in the fund as on 31st March 2022 and 31st March 2021. The present value of benefit obligation at period end is ₹ 4,897.34 Crore (31.03.2021: ₹ 4,678.45 Crore). The fair value of the assets of Provident Fund Trust as of Balance Sheet date is greater than the present value of benefit obligation.

During the year a provision of ₹15.87 Crore has been reversed (created in FY 2019-20) being excess provision no longer required.

B: Superannuation Fund

The Group has Superannuation - Defined Contribution Scheme (DCS) maintained by 'Superannuation Benefit Fund Scheme (SBFS) Trust' wherein Employer makes a monthly contribution of a certain percentage of 'Basic Salary & Dearness Allowance(DA)', out of 30%, earmarked for various Superannuation benefits. This is in accordance with Department of Public Enterprises (DPE) guidelines. These contributions are credited to individual Employee's Account maintained either with Life Insurance Corporation of India (LIC) or an optional National Pension Scheme (NPS) Account. For the financial year 2021-22, the Group has made an overall contribution of ₹ 194.39 Crore (2020-21 : ₹ 192.51 Crore) towards Superannuation - DCS [including ₹ 78.73 Crore (2020-21 : ₹ 59.70 Crore) to NPS] by charging it to the statement of Profit and Loss.

While there did not arise any need for funding in the financial year 2021-22, during the year 2020-21, the Group had made a provision of ₹ 23.41 Crore by charging to Statement of Profit & Loss towards increase in liabilities in case of Superannuation - Defined Benefit Scheme (DBS) determined based on actuarial valuation.

C: The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows

(₹ / Crore)							
Sr. No.	Provident Fund	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance	Gratuity
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded	Non-Funded
1 Present value of projected benefit obligation							
Present value of Benefit Obligation at the beginning of the period	4,678.45	870.99	1,085.07	17.09	28.12	11.07	3.94
	4,372.47	869.27	907.54	18.78	21.92	11.67	3.31
Interest Cost	374.10	59.23	74.98	1.10	1.83	0.75	0.27
	367.17	59.72	61.80	1.28	1.44	0.80	0.23
Current Service Cost	161.91	13.83	57.24	-	-	2.57	0.50
	167.63	14.07	58.93	-	-	2.66	0.45
Employee Contribution	317.13	-	-	-	-	-	-
	334.39	-	-	-	-	-	-
Liability Transferred In	3.11	-	-	-	-	-	-
	1.90	-	-	-	-	-	-
Liability Transferred Out	(0.48)	-	-	-	-	-	-
	-	-	-	-	-	-	-
Past Service Cost	-	-	-	-	-	-	-
	-	-	-	-	9.92	-	-
Benefit paid	(636.88)	(113.75)	(58.13)	(2.63)	(6.20)	(3.13)	(0.05)
	(565.11)	(100.71)	(58.27)	(3.03)	(6.52)	(0.50)	(0.04)

(₹ / Crore)							
Sr. No.	Provident Fund	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance	Gratuity
Actuarial (gains)/ losses on obligations - due to change in demographic assumptions	-	(1.24)	(0.33)	-	-	0.11	0.00
	-		95.17	0.15	(0.78)	-	-
Actuarial (gains)/ losses on obligations - due to change in financial assumptions	-	(20.83)	(72.00)	(0.30)	(0.15)	(0.32)	(0.34)
	-	3.58	48.70	0.26	0.08	0.05	(0.09)
Actuarial (gains)/ losses on obligations - due to experience	-	(4.70)	(54.85)	(0.58)	1.89	(0.99)	0.15
	-	25.06	(28.80)	(0.35)	2.06	(3.61)	(0.02)
Additions - Business Combination (refer note no 1.3.3)	-	-	-	-	-	-	-
	-	-	-	-	-	-	0.10
Present value of Benefit Obligation at the end of the period	4,897.34	803.53	1,031.98	14.68	25.48	10.07	4.48
	4,678.45	870.99	1,085.07	17.09	28.12	11.07	3.94
2 Changes in fair value of plan assets							
Fair value of Plan Assets at the beginning of the period	4,793.98	820.49	977.38	NA	NA	NA	NA
	4,374.52	783.39	749.17	NA	NA	NA	NA
Interest income	374.10	55.79	67.54	NA	NA	NA	NA
	367.17	53.82	51.02	NA	NA	NA	NA
Contributions by the employer	161.91	50.50	107.69	NA	NA	NA	NA
	167.63	85.88	158.37	NA	NA	NA	NA
Contributions by the employee	317.13	-	5.08	NA	NA	NA	NA
	334.39	-	4.50	NA	NA	NA	NA
Transfer from Other Company	3.11	-	-	NA	NA	NA	NA
	1.90	-	-	NA	NA	NA	NA
(Transfer to Other Company)	(0.48)	-	-	NA	NA	NA	NA
	-	-	-	NA	NA	NA	NA
Benefit paid	(636.88)	(113.75)	-	NA	NA	NA	NA
	(565.11)	(100.71)	-	NA	NA	NA	NA
Return on plan assets, excluding interest income	(43.27)	8.87	18.38	NA	NA	NA	NA
	113.48	(1.89)	14.32	NA	NA	NA	NA
Fair value of Plan Assets at the end of the period	4,969.60	821.90	1,176.06	NA	NA	NA	NA
	4,793.98	820.49	977.38	NA	NA	NA	NA
3 Included in Statement of Profit and Loss							
Current Service Cost	161.91	13.83	57.24	-	-	2.57	0.50
	167.63	14.07	58.93	-	-	2.66	0.45
Past Service Cost	-	-	-	-	-	-	-
	-	-	-	-	9.92	-	-
Net interest cost	374.10	3.44	7.44	1.10	1.83	0.75	0.27
	367.17	5.90	10.78	1.28	1.44	0.80	0.23
(Interest Income)	(374.10)	-	-	-	-	-	-
	(367.17)	-	-	-	-	-	-
Contributions by the employee	-	-	(5.08)	-	-	-	-
	-	-	(4.50)	-	-	-	-
Total amount recognised in Statement of Profit and Loss	161.91	17.27	59.60	1.10	1.83	3.33	0.77
	167.63	19.97	65.21	1.28	11.36	3.46	0.67
4 Remeasurements							
Return on plan assets, excluding interest income	-	(8.87)	(18.38)	-	-	-	-
	-	1.89	(14.32)	-	-	-	-
(Gain)/loss from change in demographic assumptions	-	(1.24)	(0.33)	-	-	0.11	0.00
	-	-	95.17	0.15	(0.78)	-	-

(₹ / Crore)

Sr. No.	Provident Fund	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance	Gratuity
(Gain)/loss from change in financial assumptions	-	(20.83)	(72.00)	(0.30)	(0.15)	(0.32)	(0.34)
	-	3.58	48.70	0.26	0.08	0.05	(0.09)
Experience (gains)/losses	-	(4.70)	(54.85)	(0.58)	1.89	(0.99)	0.15
	-	25.06	(28.80)	(0.35)	2.06	(3.61)	(0.02)
Change in asset ceiling, excluding amounts included in interest expense	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total amount recognised in other comprehensive income	-	(35.64)	(145.56)	(0.88)	1.74	(1.20)	(0.19)
	-	30.53	100.75	0.06	1.36	(3.56)	(0.11)

D. Amount recognised in the Balance Sheet

(₹ / Crore)

	Provident Fund	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance	Gratuity Non-funded
Present value of benefit obligation as on 31.03.2022	4,897.34	803.53	1,031.98	14.68	25.48	10.07	4.48
Fair value of plan assets as on 31.03.2022	4,969.60	821.90	1,176.06	-	-	-	-
Net Liability / (Asset) not recognised in Balance Sheet	(72.26)	-	-	-	-	-	-
Net Liability / (Asset) recognised in Balance Sheet	-	(18.37)	(144.08)	14.68	25.48	10.07	4.48

(₹ / Crore)

	Provident Fund	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance	Gratuity Non-funded
Present value of benefit obligation as on 31.03.2021	4,678.45	870.99	1,085.07	17.09	28.12	11.07	3.94
Fair value of plan assets as on 31.03.2021	4,793.98	820.49	977.38	-	-	-	-
Net Liability / (Asset) not recognised in Balance Sheet	(115.53)	-	-	-	-	-	-
Net Liability / (Asset) recognised in Balance Sheet	-	50.50	107.69	17.09	28.12	11.07	3.94

Pursuant to paragraph 57 of Ind AS 19, accounting by an entity for defined benefit plans, inter-alia, involves determining the amount of the net defined benefit liability (asset) which shall be adjusted for any effect of limiting a net defined benefit asset to the asset ceiling prescribed in paragraph 64. As per Para 64 of Ind AS 19, in case of surplus in a defined benefit plan, an entity shall measure the net defined benefit asset at the lower of actual surplus or the value of the assets ceiling determined using the discount rate. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. Further, paragraph 65 provides that a net defined benefit asset may arise where a defined benefit plan has been overfunded or where actuarial gains have arisen.

As per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Group has no right to the benefits either in the form of refund from the plan or lower future contribution to the plan towards the net surplus of ₹ 72.26 crore (31.03.2021: ₹ 115.53 crore) determined through actuarial valuation. Accordingly, Group has neither recognised the surplus as an asset, nor the remeasurement loss /gains in 'Other Comprehensive Income', as these pertain to the Provident Fund Trust and not to the Group.

E. Plan assets

(₹ / Crore)

	31.03.2022			31.03.2021		
	Provident Fund	Gratuity	PRMBS	Provident Fund	Gratuity	PRMBS
Plan assets comprise the following:						
Gratuity - Investment with Insurance companies PF/ PRMB - Self managed Investments	4,969.60	821.90	1,176.06	4,793.98	820.49	977.38
	4,969.60	821.90	1,176.06	4,793.98	820.49	977.38

Details of the investment pattern for the above mentioned funded obligations are as under:

	31.03.2022			31.03.2021		
	Provident Fund	Gratuity	PRMBS	Provident Fund	Gratuity	PRMBS
Government Securities (Central & State)	55.85%	-	51.90%	56.57%	-	47.50%
Investment in Debentures / Securities	39.57%	-	37.22%	37.34%	-	34.00%
Investment in Equity / Mutual Funds	2.13%	-	4.27%	1.54%	-	3.36%
Insurance Managed Funds	-	100%	-	-	100%	-
Others Assets	2.45%	-	6.60%	4.55%	-	15.14%

F. Significant estimates (actuarial assumptions and sensitivity)

(i). The significant actuarial assumptions were as follows:

31.03.2022	Provident Fund	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	7.23%	7.23%	7.40%	NA	NA	NA
Rate of Discounting	7.23%	7.23%	7.40%	6.96%	6.70%	7.23%
Rate of Salary Increase	7.00%	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Urban					
Mortality Rate After Employment	Indian Individual AMT (2012-15)					

31.03.2021	Provident Fund	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	6.80%	6.80%	6.91%	NA	NA	NA
Rate of Discounting	6.80%	6.80%	6.91%	6.44%	6.49%	6.80%
Rate of Salary Increase	7.00%	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)					
Mortality Rate After Employment	Indian Individual AMT (2012-15)					

(ii). Sensitivity analysis

(₹ / Crore)

31.03.2022	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of +1% Change in Rate of Discounting	(43.70)	(124.40)	(0.54)	(0.68)	(0.66)
Delta effect of -1% Change in Rate of Discounting	50.60	158.39	0.59	0.73	0.78
Delta effect of +1% Change in Future Benefit cost inflation	-	159.23	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(125.55)	-	-	-
Delta effect of +1% Change in Rate of Salary Increase	7.62	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(9.35)	-	-	-	-
Delta effect of +1% Change in Rate of Employee Turnover	18.65	-	-	-	(0.73)
Delta effect of -1% Change in Rate of Employee Turnover	(21.20)	-	-	-	0.85

	(₹ / Crore)				
31.03.2021	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of +1% Change in Rate of Discounting	(47.87)	(133.06)	(0.66)	(0.79)	(0.73)
Delta effect of -1% Change in Rate of Discounting	55.36	170.13	0.73	0.85	0.86
Delta effect of +1% Change in Future Benefit cost inflation	-	170.71	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(134.07)	-	-	-
Delta effect of +1% Change in Rate of Salary Increase	9.92	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(12.18)	-	-	-	-
Delta effect of +1% Change in Rate of Employee Turnover	15.44	-	-	-	(0.80)
Delta effect of -1% Change in Rate of Employee Turnover	(17.46)	-	-	-	0.94

G. The expected maturity analysis of undiscounted benefits is as follows

	(₹ / Crore)			
	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year
31.03.2022				
Gratuity	134.67	74.91	299.44	972.09
PRMBS	47.94	52.72	190.42	325.61
Pension	2.17	2.14	6.21	9.27
Ex - Gratia	4.96	4.85	13.75	19.68
Resettlement Allowance	1.43	0.70	3.52	15.09
Total	191.17	135.32	513.34	1,341.74

	(₹ / Crore)			
	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year
31.03.2021				
Gratuity	131.76	84.00	326.43	989.37
PRMBS	50.70	55.05	194.30	323.63
Pension	2.45	2.41	7.02	10.51
Ex - Gratia	5.30	5.19	14.78	21.41
Resettlement Allowance	1.36	0.81	3.91	15.59
Total	191.57	147.46	546.44	1,360.51

H Notes:

- I. Gratuity :** Each employee rendering continuous service of 5 Years or more is entitled to receive gratuity amount equal to 15/26 of the eligible salary for every completed years of service subject to maximum of ₹ 0.20 crore at the time of separation from the Group. Besides the ceiling, gratuity increases by 25% whenever IDA rises by 50%. The long term employee benefit of Gratuity is administered through a Trust, established under The Payment of Gratuity Act, 1972. The Board of Trustees comprises of representatives from the Employer who are also plan participants in accordance with the plans regulation. The liability towards gratuity is funded with Life Insurance Companies.
- II. Pension :** The employees covered by the Pension Plan of the Group are entitled to receive monthly pension for life. However, none of the current serving employees are covered under Pension Plan of the Corporation.
- III. Post Retirement Medical Benefit (PRMBS) :** Post Retirement Benefit medical scheme provides medical benefit to retired employees and eligible dependent family members. This long term employee benefit is administered through a Trust. The liability towards Post-Retirement Medical Benefit for employees is ascertained, yearly, based on the actuarial valuation and funded to the Trust.
- IV. Ex-gratia :** The ex-employees of the Group are covered under the Scheme, entitling to get ex-gratia, determined based on their salary grade at the time of their superannuation. The benefit is paid to eligible employees till their survival, and thereafter till the survival of their spouse. However, none of the current serving employees are covered under this Plan.

- V. Resettlement Allowance :** Upon superannuation from the services of the Group, there are employees who permanently settle down at a place other than the location of the last posting. Such employees are provided with resettlement allowance as per policy of the Group.
- VI. On funds retained in LIC :** The employees of the Group are entitled to certain leave as per policy. The liability of the Group is determined annually through actuarial valuation and funded with Life Insurance Corporation of India (LIC).
- VII. Others :** The expected return on plan assets is based on market expectation over the entire life of the related obligation. The actuarial assumption with regard to future salary escalation takes into consideration, the factors such as inflation, seniority, promotion, demand & supply in the employment market.
- VIII.** Figures in italics represent last year figures.

64. Additional Information on Joint Ventures/Associates

In addition to the figures contained in the Notes numbering 3,4, 5A, 5B & 10, that represents Groups' consolidated Property, Plant and Equipments(PPE)/ Capital Work-in-Progress/ Intangible Assets/ Intangible Assets Under Development/ Investment Property/ Capital Advance(under Other Non-Current Assets) for the financial year 2021-22, the Holding Company's consolidated proportionate share in respect of these Items held in its Joint Ventures and Associates is given as under:

Property, Plant and Equipments

(₹ / Crore)									
Gross Block			Depreciation/Amortisation				Net Block		Net Block
As of 01.04.2021	Additions	Deduction/ Reclassifications	As of 31.03.2022	As of 01.04.2021	For the year	Deduction/ Reclassifications	As of 31.03.2022	as on 31.03.2022	as on 01.04.2021
20,611.46	1,020.65	(17.42)	21,649.53	4,172.43	782.58	32.21	4,922.80	16,726.73	16,439.03

Intangible Assets

(₹ / Crore)									
Gross Block			Depreciation/Amortisation				Net Block		Net Block
As of 01.04.2021	Additions	Deduction/ Reclassifications	As of 31.03.2022	As of 01.04.2021	For the year	Deduction/ Reclassifications	As of 31.03.2022	as on 31.03.2022	as on 01.04.2021
114.65	55.73	(0.00)	170.38	61.74	9.12	-	70.85	99.53	52.91

Investment Property

(₹ / Crore)									
Gross Block			Depreciation/Amortisation				Net Block		Net Block
As of 01.04.2021	Additions	Deduction/ Reclassifications	As of 31.03.2022	As of 01.04.2021	For the year	Deduction/ Reclassifications	As of 31.03.2022	as on 31.03.2022	as on 01.04.2021
1.36	-	-	1.36	0.00	0.00	-	0.00	1.36	1.36

(₹ / Crore)		
Particulars	31.03.2022	31.03.2021
Intangible Assets Under Development	0.39	0.09
Capital Work-in-Progress	23,821.89	15,195.27
Capital Advances disclosed under Other Non-Current Assets	667.41	585.64

This disclosure is made in a specific context of a reporting requirement conveyed by Department of Public Enterprises (DPE) for facilitating evaluation of one of the Memorandum of Understanding(MOU) parameters on performance of the Corporation, entered into with Ministry of Petroleum & Natural Gas (MOP&NG), namely, Capital Expenditure Target of HPCL together with its Subsidiaries/Joint Ventures/Associate Companies for the financial year 2021-22. Considering that the definition of Group under Ind-AS 110 for the purpose of consolidation is limited to Holding Company and its Subsidiary Companies only, this additional disclosure is intended to provide the requisite information extracted from the audited financial statements of these Companies, to the extent of the Holding Company's actual shareholding at period end.



65. As on 31.03.2022, the Group has an inventory of Non-Solar Renewable Energy Certificates (RECs) numbering 16,830 Units (31.03.2021: 35,041), available for Sale after earmarking a requisite quantity already for captive consumption. Traded in Indian Energy Exchange Ltd., the revenue from RECs is recognized as and when the same are sold. At period end, these RECs are traded in a price band of ₹1,000/- to ₹3,000/- per REC. Pursuant to order of Appellate Tribunal for Electricity (APTEL), trading of RECs has restarted during the year and the validity of RECs has been extended till December 2023.
66. There are no loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties either severally or jointly with any other person, by the Group, that are repayable on demand (or without specifying any terms or period of repayment).

67. Relationship with Struck Off Companies

Relationship with Other Companies					(₹ / Crore)
Name	Nature of Transaction	Balance O/s as on		Relationship, if any	
		31.03.2022	31.03.2021		
(i) In respect of HPCL					
Vizag Icon Ventures Private Limited	Payables	< 0.01	< 0.01	None	
Gayatri Lubricant Private Limited	Payables	-	< 0.01	None	
Kothari Intergroup Limited	Payables	< 0.01	< 0.01	None	
Naku Tanti Escapades Private Limited	Payables	< 0.01	< 0.01	None	
(ii) In respect of HPCL Biofuels Limited					
Sri Venkateswara Global Trading Private Limited	Receivable	13.76	13.86	None	
(A provision for doubtful receivable for an amount of ₹ 13.76 Crore is charged to the Statement of Profit & Loss during the Financial Year 2021-22)					

68. Other Disclosures

- 68.1. The Quarterly returns / statements of the Corporation, for the first 3 quarters of the current financial year with respect to current assets (Inventories) filed with banks / financial institutions for the financial year 2021-22 are in agreement with the books of accounts. The return for the 4th quarter, being price sensitive information, will be filed after declaration of annual results.
- 68.2. Compliance with number of layers of companies as per Clause 87 of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable for Government Companies.
- 68.3. There have not been any revaluation of Property, Plant & Equipment and Intangible Assets.
- 68.4. The borrowings from banks and financial institutions were used for the purpose for which it was taken.
- 68.5. There are no proceedings initiated or pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 68.6. No Bank or financial institution or other lender has declared the Group as willful defaulter.
- 68.7. There are no pending applications with any authority for a scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013 for the Group.
- 68.8. To the best of 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) 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 Group (Ultimate Beneficiaries) or to provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- To the best of knowledge and belief, no funds have been received from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, to 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 to provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 68.9. There are no unrecorded transactions, which have been surrendered or disclosed as Income during the year in the tax assessments under the Income tax act, 1961.
- 68.10. The Group has not entered into trading or investing in Crypto Currency or Virtual Currency during the year.

69. Schedule III - Additional Disclosure on Consolidated Financial Statements as on 31.03.2022 is as under

Name of the Entity	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 a % of Consolidated Net Assets	Amount (₹ / Crore)	As a % of Consolidated profit or loss	Amount (₹ / Crore)	As a % of Consolidated Other Comprehensive Income	Amount (₹ / Crore)	As a % of Consolidated Total comprehensive Income	Amount (₹ / Crore)
Hindustan petroleum Corporation Limited Subsidiaries	93.41%	38,677.04	87.50%	6,382.63	135.76%	300.51	88.92%	6,683.14
Prize Petroleum Company Limited	(0.81%)	(336.65)	0.01%	1.02	(7.41%)	(16.41)	(0.20%)	(15.39)
HPCL Biofuels Limited	0.50%	206.92	(0.92%)	(66.95)	0.10%	0.23	(0.89%)	(66.72)
HPCL Middle East FZCO	0.01%	4.08	(0.01%)	(0.66)	0.10%	0.23	(0.01%)	(0.43)
HPCL LNG Limited (Formerly known as HPCL Shapoorji Energy Private Limited)	2.97%	1,230.54	(0.19%)	(14.10)	(0.02%)	(0.05)	(0.19%)	(14.15)
Joint Ventures								
Hindustan Colas Private Limited	0.53%	220.59	1.20%	87.51	0.00%	-	1.16%	87.51
HPOIL Gas Private Limited	0.16%	68.23	(0.02%)	(1.71)	0.00%	-	(0.02%)	(1.71)
HPCL Rajasthan Refinery Limited	10.09%	4,178.60	(0.23%)	(16.55)	0.00%	-	(0.22%)	(16.55)
South Asia LPG Company Private Limited	0.22%	90.74	0.76%	55.33	0.03%	0.07	0.74%	55.40
HPCL - Mittal Energy Limited	13.24%	5,480.10	8.45%	616.12	(28.84%)	(63.83)	7.35%	552.29
Petronet MHB Limited	0.70%	289.74	0.41%	30.14	0.00%	(0.01)	0.40%	30.13
Godavari Gas Private Limited	0.05%	20.68	0.00%	(0.07)	0.00%	-	0.00%	(0.07)
Petronet India Limited	0.00%	0.44	0.00%	0.01	0.00%	-	0.00%	0.01
Mumbai Aviation Fuel Farm Facilities Private Limited	0.23%	94.26	0.03%	2.39	0.00%	-	0.03%	2.39
Aavantika Gas Limited	0.40%	165.20	0.46%	33.19	0.01%	0.02	0.44%	33.21
Bhagyanagar Gas Limited	0.47%	194.12	0.30%	21.55	0.03%	0.06	0.29%	21.61
Ratnagiri Refinery & Petrochemical Limited	0.07%	29.71	(0.03%)	(2.21)	0.00%	-	(0.03%)	(2.21)
IHB Limited	1.24%	513.96	(0.01%)	(0.79)	0.00%	-	(0.01%)	(0.79)
Associates								
Mangalore Refinery and Petrochemicals Limited	2.95%	1,222.35	6.88%	501.56	0.25%	0.55	6.68%	502.11
GSPL India Gasnet Limited	0.51%	211.69	0.11%	8.07	0.00%	0.01	0.11%	8.08
GSPL India Transco Limited	0.09%	38.61	(0.23%)	(17.12)	0.00%	0.01	(0.23%)	(17.11)
Consolidation Adjustments & Eliminations	(27.04%)	(11,196.74)	(4.46%)	(325.13)	(0.01%)	(0.03)	(4.33%)	(325.16)
Total	100.00%	41,404.21	100.00%	7,294.23	100.00%	221.36	100.00%	7,515.59

FOR AND ON BEHALF OF THE BOARD

sd/-

Pushp Kumar Joshi

Chairman & Managing Director

DIN - 05323634

sd/-

Rajneesh Narang

Director - Finance

DIN - 08188549

sd/-

V Murali

Company Secretary

Place : Mumbai

Date : May 19, 2022

As per our report of even dateFor **R. Devendra Kumar & Associates**

Chartered Accountants

FRN - 114207W

sd/-

Anand Golas

Partner

Membership No. 400322

For **CNK & Associates LLP**

Chartered Accountants

FRN - 101961WW-100036

sd/-

Vijay Mehta

Partner

Membership No. 106533

70. Previous periods figures are reclassified / regrouped wherever necessary.

**Form AOC-I**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part "A": Subsidiaries

(₹ / Crore)						
Sl. No.	Particulars	HPCL Biofuels Limited	Prize Petroleum Company Limited [#]	HPCL Middle East FZCO	HPCL Rajasthan Refinery Limited*	HPCL LNG Limited
		1	2	3	4	5
1	Date since when subsidiary was acquired	16.10.2009	28.10.1998	11.02.2018	18.09.2013	30.03.2021
2	Reporting currency	Rupees (₹)	Rupees (₹)	Arab Emirates Dirham	Rupees (₹)	Rupees (₹)
3	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-	-	20.63	-	-
4	Share capital	986.73	245.00	8.33	4,266.14	1,257.00
5	Reserves & surplus	(779.82)	(581.65)	(4.26)	(87.54)	(26.46)
6	Total assets	641.10	331.03	11.22	12,775.95	2,533.79
7	Total Liabilities	434.19	667.67	7.14	8,597.35	1,303.25
8	Investments	-	-	-	-	-
9	Turnover	216.47	64.11	15.86	-	-
10	Profit before taxation	(66.95)	1.02	(0.66)	(16.55)	(14.10)
11	Provision for taxation	-	-	-	-	-
12	Profit after taxation	(66.95)	1.02	(0.66)	(16.55)	(14.10)
13	Proposed Dividend	-	-	-	-	-
14	% of shareholding	100.00%	100.00%	100.00%	74.00%	100.00%

Figures based on Consolidated Financial Statements of the Company

* Represents HPCL's share in the Company

Notes:-

- Names of subsidiaries which are yet to commence operations:
 - HPCL Rajasthan Refinery Limited (subsidiary as per Section 2(87) of Companies Act, 2013)
 - HPCL LNG Limited (Formerly known as HPCL Shapoorji Energy Private Limited) The Company was converted into a Public Limited Company effective 10th September 2021.
- Names of subsidiaries which have been liquidated or sold during the year - Nil

FOR AND ON BEHALF OF THE BOARD

sd/-

Pushp Kumar Joshi

Chairman & Managing Director

DIN - 05323634

sd/-

Rajneesh Narang

Director - Finance

DIN - 08188549

sd/-

V Murali

Company Secretary

Place : Mumbai

Date : May 19, 2022

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part "A"

		(₹ / Crore)							
Name of Joint Ventures		Hindustan Colas Private Limited#	HPCL-Mittal Energy Limited#	South Asia LPG Company Private Limited	Petronet MHB Limited	Bhagyanagar Gas Limited	Petronet India Limited^	HPOIL Gas Private Limited	Godavari Gas Private Limited
1	Latest audited Balance Sheet date	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022
2	Date on which the Associates or Joint Ventures was associated or acquired	17.07.1995	13.12.2000	16.11.1999	26.05.1997	22.08.2003	26.05.1997	30.11.2018	27.09.2016
3	Shares of Joint Ventures / Associate held by the Company on the year end								
	Nos.	47,25,000	3,93,95,55,200	5,00,00,000	27,43,33,672	4,36,50,000	1,60,00,000	7,25,00,000	2,31,28,899
	Amount of Investment in Joint Venture / Associate	4.73	3,939.56	50.00	369.31	128.25	0.16	72.50	23.13
	Extent of Holding %	50.00%	48.99%	50.00%	50.00%	48.73%	16.00%	50.00%	26.00%
4	Description of how there is significant influence	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding
5	Reason why the Joint Venture / Associate is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	Networth attributable to Shareholding as per latest audited Balance Sheet*	220.59	5,480.10	90.74	289.74	194.12	0.44	68.23	20.68
7	Profit / Loss for the year 2021-22*								
	i. Considered in Consolidation	87.51	616.11	55.33	30.14	21.55	0.01	(1.71)	(0.07)
	ii. Not Considered in Consolidation	-	-	-	-	-	-	-	-

FOR AND ON BEHALF OF THE BOARD

sd/-

Pushp Kumar Joshi

Chairman & Managing Director

DIN - 05323634

sd/-

Rajneesh Narang

Director - Finance

DIN - 08188549

sd/-

V Murali

Company Secretary

Place : Mumbai

Date : May 19, 2022

**Form AOC-I**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures**Part "B": Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part "B"

(₹ / Crore)

Name of Joint Ventures	Aavantika Gas Limited	Mangalore Refinery and Petrochemicals Limited#	Mumbai Aviation Fuel Farm Facilities Private Limited	GSPL India Gasnet Limited	GSPL India Transco Limited	Ratnagiri Refinery & Petrochemical Limited	IHB Limited
1 Latest audited Balance Sheet date	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022
2 Date on which the Associates or Joint Ventures was associated or acquired	07.06.2006	07.03.1988	06.03.2014	13.10.2011	13.10.2011	22.09.2017	09.07.2019
3 Shares of Joint Ventures / Associate held by the Company on the year end							
Nos.	2,95,57,038	29,71,53,518	5,29,18,750	20,81,22,128	6,67,70,000	5,00,00,000	51,45,00,000
Amount of Investment in Joint Venture / Associate	50.02	471.68	52.92	208.12	66.77	50.00	514.50
Extent of Holding %	49.99%	16.96%	25.00%	11.00%	11.00%	25.00%	25.00%
4 Description of how there is significant influence	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding
5 Reason why the Joint Venture / Associate is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6 Networth attributable to Shareholding as per latest audited Balance Sheet*	165.20	1,222.35	94.26	211.69	38.61	29.71	513.96
7 Profit / Loss for the year 2021-22*							
i. Considered in Consolidation	33.19	501.57	2.39	8.07	(17.11)	(2.21)	(0.79)
ii. Not Considered in Consolidation	-	-	-	-	-	-	-

Figures based on Consolidated Financial Statements of the Company

* Represents HPCL's share of Profit/(Loss) in Joint Ventures / Associates

^ Petronet India Limited is in the process of voluntary winding up w.e.f. August 30, 2018. Net worth presented above is as per audited accounts as of 31st March, 2022.

Ujjwala Plus Foundation was incorporated as not-for-profit joint venture company under Sec. 8 of Companies Act 2013 during 2017-18

1 Names of joint ventures or associates which are yet to commence operations.

a) Ratnagiri Refinery & Petrochemicals Limited

b) IHB Limited (The Company was converted into a Public Limited Company effective 06th April 2021)

2 Names of joint ventures or associates which have been liquidated or sold during the year - Nil

FOR AND ON BEHALF OF THE BOARD

sd/-

Pushp Kumar Joshi

Chairman & Managing Director

DIN - 05323634

sd/-

Rajneesh Narang

Director - Finance

DIN - 08188549

sd/-

V Murali

Company Secretary

Place : Mumbai

Date : May 19, 2022

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HINDUSTAN PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of consolidated financial statements of Hindustan Petroleum Corporation Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Hindustan Petroleum Corporation Limited for the year ended 31 March 2022 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of (Annexure I) but did not conduct supplementary audit of the financial statements of (Annexure II) for the year ended on that date. **Further, section 139(5) and 143(6)(b) of the Act are not applicable to (Annexure III) being private entities/entities incorporated in foreign countries under the respective laws for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies.** This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. After the audit, comment of C&AG was issued on 18 July 2022 pointing out that the company has not disclosed negative balance in LPG Buffer Account in Notes to Financial Statements. Based on the comment, the company disclosed the same in Note No- 31.4 to the Financial Statements. The same was also endorsed by statutory auditors.

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

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

Place: Mumbai
Date: 26 July 2022

sd/-
C.M. Sane
Director General of Commercial Audit, Mumbai



Annexure I

Audit Conducted:

(A) Subsidiaries

1. HPCL Biofuels Limited (HBL)
2. HPCL LNG Limited (HPLNG)

(B) Joint Ventures

1. Petronet MHB Limited (PMHBL)
2. Mumbai Aviation Fuel Farm Facility Private Limited (MAFFFL)
3. HPCL Rajasthan Refinery Limited (HRRL)
4. HPOIL Gas Private Limited (HOGPL)
5. IHB Limited (IHBL)
6. Aavantika Gas Limited (AGL)
7. Bhagyanagar Gas Limited (BGL) – (In progress)
8. Godavari Gas Private Limited (GGPL) – (In Progress)

(C) Associates

1. Mangalore Refinery and Petrochemicals Limited (MRPL)
2. GSPL India Gasnet Limited (GIGL) – (In progress)
3. GSPL India Transco Limited (GITL)

Annexure II

Audit not conducted:

(A) Subsidiaries

1. Prize Petroleum Company Limited (PPCL)

(B) Joint ventures

1. Rantagiri Refinery Petrochemicals Limited (RRPCL)

(C) Associates

NIL

Annexure III

Audit not applicable:

(A) Subsidiaries

1. HPCL Middle East FZCO (HMEFZCO)

(B) Joint ventures

1. HPCL Mittal Energy Limited (HMEL)
2. Hindustan Colas Private Limited (HINCOL)
3. South Asia LPG Co. Private Limited (SALPG)

(C) Associates

NIL

Notes: Ujjwala Plus Foundation (a not-for-profit organization formed by IOCL, HPCL and BPCL) has not been considered for consolidation of the HPCL accounts, hence not indicated above.

INDEPENDENT AUDITORS' REPORT

To
The Board of Directors
Hindustan Petroleum Corporation Limited

Report on the Audit of the Standalone Financial Results

1. Opinion

We have audited the accompanying Standalone annual financial results ('the Statement') of Hindustan Petroleum Corporation Limited ('the Company') for the quarter and year ended on March 31, 2021, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), except for the disclosures regarding (a) Physical Performance disclosed in para B of the Statement and (b) 'Average Gross Refining Margins' stated in Note no. 5 of the Statement.

In our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, other comprehensive income and other financial information of the Company for the quarter and year ended on March 31, 2021.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Emphasis of Matter

- a) Note No 10 regarding provision for impairment made during the year of ₹ 390.67 Crores (cumulative as of year ended ₹ 618.07 Crores) towards loans given to consumers under Prime Minister Ujjwala Yojna (PMUY) of the total outstanding loans of ₹ 1882.25 Crores. The above impairment has been computed based on the estimates of default as assessed by the management. Further, during the year, the management has performed re-measurement of the gross carrying value and accounted re-measurement loss amounting to ₹ 450.62 Crores.



20 MAY 2021



- b) Note No. 11 regarding provision towards diminution in value of investments made by Provident Fund Trust and Post Retirement Medical Benefit Fund Trust to the extent of ₹ 170.10 Crores & ₹ 69.65 Crores respectively arising out of the default over interest obligations and probable principal amounting to ₹ 243 Crores & ₹ 99.50 Crores respectively in the case of Non-convertible Debentures of certain companies which includes IL&FS & DHFL, basis best available estimate of the management. The estimate is dependent upon the outcome of matters pending with judicial authorities and recognition of Company's claim in these matters.
- c) Note No 19 regarding the outbreak of COVID-19 pandemic and the assessment made by the management on its business and financials for the year ended March 31, 2021, this assessment and the outcome of the pandemic is as made by the management and is highly dependent on the circumstances as they evolve in the subsequent periods.

Our opinion on the Statement is not modified in respect of these matters.

4. Management's Responsibilities for the Standalone Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of related annual and quarterly standalone financial statements. The Company's Board of Directors are responsible for the preparation of these standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

5. Auditor's Responsibilities for the Audit of the Standalone Financial Results

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



20 MAY 2021



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 results.

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

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results 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 results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

6. Other Matters

- a) We did not audit the financial statements of one branch viz Visakh Refinery included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ 26,536.03 Crores as at 31st March 2021 and the total revenue of ₹ 45,167.29 Crores for the year ended on that date, as considered in the Branch's financial statements. The financial statements of this branch have been audited by the branch auditor whose report dated May 10, 2021 has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor.
- b) The Statement include Company's proportionate share in Assets and Liabilities as on March 31, 2021, Income and Expenditure for the year ended March 31, 2021 in respect of 21 unincorporated Joint



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Operations amounting to ₹ 7.15 crores and ₹ 36.07 crores, ₹ 2.22 crores and ₹ 0.90 crores respectively. In respect of these Joint Operations, the financial information has been incorporated based on data received from the respective operators. Our opinion in respect thereof is solely based on the management certified information.

- c) The company has less than minimum number of Independent Directors required in terms of the provisions contained in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. These financial results have been reviewed and recommended to the Board of Directors by the Audit Committee consisting of one Independent Director and subsequently approved by the Board consisting of one Independent Director, who is also not an Independent Women Director. We have been informed that the Independent Directors are appointed by Government of India.
- d) Attention is drawn to the fact that the figures for the quarter ended March 31, 2021 as reported in the Statement are the balancing figures in respect of the year ended March 31, 2021 and published year to date figures up to the end of the third quarter of the relevant financial year. The figures up to the end of the third quarter are only reviewed and not subjected to audit.

Our opinion on the Statement is not modified in respect of these matters.

For R. Devendra Kumar & Associates
Chartered Accountants
Firm Regn. No.114207W



Neeraj Golas
Partner
Membership No. 074392
UDIN: 21074392AAAAABA3614



Place: Mumbai
Date: May 20, 2021

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For M.P. Chitale & Co.
Chartered Accountants
Firm Regn. No.101851W


Anagha Thattai
Partner
Membership No. 105525
UDIN: 21105525AAAADQ2325



HINDUSTAN PETROLEUM CORPORATION LIMITED
 Head Office : 17, Jawahar Road, Mumbai - 400 020
 WEBSITE : www.hindustanpetroleum.com, E-mail : corpinfo@hpcil.in, CIN No: L23201MH1852GOI000858
STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

(₹ in Crore)

Particulars	Quarter Ended			Year Ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited	Un-Audited	Audited	Audited	Audited
A. FINANCIAL PERFORMANCE					
1 Income					
(a) Gross Sale of Products	84,904.75	77,112.50	71,268.14	269,242.85	286,250.27
(b) Other Operating Revenue	296.89	295.78	286.42	1,083.45	1,166.66
(c) Other Income (refer Note # 6 below)	544.57	864.81	424.06	2,786.73	1,838.17
Total Income	85,746.12	78,273.09	71,978.62	273,115.05	289,255.10
2 Expenses					
(a) Cost of materials consumed	13,899.47	10,044.38	14,776.15	41,121.96	59,750.69
(b) Purchases of stock-in-trade	54,844.67	54,044.52	47,539.78	167,855.10	187,733.94
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3,576.77)	(2,885.07)	(868.18)	(8,532.96)	(418.49)
(d) Excise Duty	10,360.13	8,793.47	5,399.63	37,329.51	18,650.52
(e) Employee benefits expense	415.18	883.58	838.18	3,188.38	3,193.46
(f) Finance Costs	205.26	127.41	337.44	914.73	1,081.72
(g) Depreciation and amortisation expense	937.18	881.05	811.38	3,552.65	3,304.39
(h) Other expenses (refer Note # 6 below)	4,574.48	5,270.28	4,393.56	13,456.89	13,881.35
Total Expenses	83,679.61	75,119.62	71,409.95	258,868.26	286,676.58
3 Profit/(Loss) before exceptional items and tax (1-2)	2,066.51	3,153.47	(1,431.33)	14,246.79	2,578.52
4 Exceptional Items - Income/(Expenses)	-	-	(1,002.93)	-	(1,002.93)
5 Profit/(Loss) before tax (3+/-4)	2,066.51	3,153.47	(2,434.26)	14,246.79	1,575.59
6 Tax Expense					
(a) Current Tax	1,181.73	755.58	(1,030.30)	3,589.56	186.95
(b) Deferred Tax	(147.81)	47.65	117.36	(3.28)	316.50
(c) Provision for tax for earlier years written back (net)	16.63	-	(1,548.12)	16.63	(1,548.12)
Total Tax Expense	1,050.55	803.23	(2,461.06)	3,582.91	(1,064.67)
7 Net profit/(Loss) for the period (5-6)	1,015.96	2,350.24	-	10,663.88	2,640.26
8 Other Comprehensive Income					
A (i) Items that will not be reclassified to profit or loss	(78.15)	47.21	(399.41)	(16.36)	(485.81)
A (ii) Income tax relating to items that will not be reclassified to profit or loss	25.94	-	53.15	31.02	53.15
B (i) Items that will be reclassified to profit or loss	68.81	(5.67)	(24.11)	(1.14)	(24.11)
B (ii) Income tax relating to items that will be reclassified to profit or loss	(13.33)	1.43	6.07	0.29	6.07
Total Other Comprehensive Income	(2.63)	41.87	(364.30)	13.81	(450.70)
9 Total Comprehensive Income for the period (7 +/- 8)	1,013.33	2,392.11	(364.30)	10,677.69	2,189.56
10 Paid up Equity Share Capital (Face value ₹ 10/- each) (refer note # 7 below)	1,452.02	1,496.63	1,523.82	1,452.02	1,523.82
11 Other Equity excluding Revaluation Reserves				84,733.70	27,438.15
12 Basic and Diluted Earnings Per Share (of ₹ 10/- each) (not annualised) (refer note # 8 below)	20.48	15.51	6.18	70.57	17.31
B. PHYSICAL PERFORMANCE (in MMT)					
Crude Throughput	4.30	4.00	4.54	16.42	17.18
Market Sales					
- Domestic Sales	9.83	10.03	9.25	35.20	37.78
- Exports	0.31	0.37	0.32	1.39	1.86
Pipeline Throughput	5.35	5.52	5.72	19.12	21.20

Notes:

- The above results, which are published in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on May 20, 2021.
- The Financial Results have been audited by the Statutory Auditors as required under Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Statutory Auditors have issued unmodified opinion on the Standalone Financial Results for the quarter and year ended March 31, 2021.
- The Audited Accounts are subject to review by the Comptroller & Auditor General of India under section 143 (6) of the Companies Act, 2013.
- The Board has recommended a final dividend of ₹ 22.75 per equity share.
- Average Gross Refining Margin during the year ended March 31, 2021 was US \$ 3.86 per BBL as against US \$ 1.02 per BBL during the corresponding previous year.
- Other income for the period April - March, 2021 includes ₹ 1020.88 Crore towards gain (April - March, 2020 : Included in Other Expenses, a loss of ₹ 873.50 Crore) on account of foreign currency transactions and translations.
- Pursuant to ongoing shares buy-back program executed through Open Market Operations, 7,18,01,481, representing 4.73% of paid up Share Capital (prior to commencement of buy-back), having a face value of ₹ 71,80,14,916/- have been bought back. Of this, 6,79,77,058 shares have been extinguished as on reporting date and the rest of it on April 20, 2021. The effect of subsequent extinguishment, being adjusting event, under Ind-AS, has been duly recognized as on March 31, 2021 itself. Regulatory filing to stock exchanges on the buyback program is done regularly and also status hosted on Company's website, www.hindustanpetroleum.com.

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- 8 The Basic and Diluted Earnings per Share (EPS) for the Quarter and year ended March 31, 2021 and the preceding Quarter ended December 31, 2020 have been calculated after duly considering shares bought back till the respective periods referred to in Note # 7 above, though a portion of it is extinguished subsequently. Thus, EPS for the Quarter and year ended March 31, 2021 is not comparable with figures reported for the corresponding previous year.
- 9 The Corporation has accounted Nil Budgetary Support during April - March, 2021 (April - March, 2020 : ₹ 28.41 Crore) towards under recovery on sale of PDS SKD.
- 10 Considering the recoverability of loan provided to Pradhan Mantri Ujjwala Yojana (PMUY) beneficiaries and further considering the steep decline in the average subsidy on Domestic LPG during the year and the consequential increase in loan tenure, appropriate provision is recognized and the carrying value of loan outstanding as at Balance Sheet date is re-measured based Management Estimates of future cash inflows. Other Expenses for the period April - March, 2021 includes ₹ 841.25 Crore (April - March, 2020 : ₹ 131.69 Crore) towards impairment provision and impact of re-measurement of carrying value of loan.
- 11 Pursuant to few of the investments made by the Corporation's Provident Fund Trust and Post-retirement Medical benefit Trust, which witnessed default in the interest and/or Principal obligations, a provision towards diminution was recognized in the books of the Corporation during financial year 2019-20. In anticipation of probable default, these investments, namely, ₹ 243 Crore by Provident Fund Trust and ₹ 99.50 Crore by PMMS Trust were marked down by 70%, i.e. to the extent of ₹ 170.10 Crore & ₹ 69.65 Crore respectively, which continues to be the true and fair valuation as of 31/03/2021 as per management assessment.
- 12 The figures for the quarter ended March 31, 2021 and March 31, 2020 represent the difference between the audited figures in respect of full financial year and the unaudited figures of nine months ended December 31, 2020 and December 31, 2019 respectively.
- 13 The Corporation operates in a single segment viz. Downstream petroleum sector.
- 14 Pursuant to SEBI circular SEBI/HO/DOHS/CF/P/2018/144 dated November 26, 2018 disclosure by Large Corporate is being attached as Annexure I.
- 15 STATEMENT OF ASSETS AND LIABILITIES AS ON

		[₹ in Crore]	
Particulars		31.03.2021	31.03.2020
		Audited	Audited
ASSETS			
1	Non-Current Assets		
(a)	Property, Plant and Equipment	49,200.87	47,740.04
(b)	Capital Work-in-Progress	24,053.26	17,046.93
(c)	Intangible Assets	859.66	545.47
(d)	Intangible Assets Under Development	180.24	96.76
(e)	Financial Assets		
(i)	Investment in Subsidiaries, Joint Ventures and Associates	9,233.21	8,936.81
(ii)	Other Investments	341.96	229.93
(iii)	Loans	1,133.93	1,415.90
(iv)	Other Financial Assets	18.80	6.29
(f)	Other Non-Current Assets	2,766.51	2,886.97
		87,628.44	76,720.00
2	Current assets		
(a)	Inventories	28,592.17	19,141.19
(b)	Financial Assets		
(i)	Investments	5,417.58	5,344.86
(ii)	Trade Receivables	6,854.21	3,922.72
(iii)	Cash and Cash Equivalents	155.29	95.04
(iv)	Bank Balances other than cash and cash equivalents	81.91	28.11
(v)	Loans	124.63	407.84
(vi)	Other Financial Assets	1,945.93	7,908.81
(c)	Other Current Assets	426.85	415.88
		43,598.07	37,284.45
	Assets classified as held for Sale / Disposal	12.67	10.07
		43,610.74	37,294.52
	Total Assets	131,239.18	114,014.52
EQUITY AND LIABILITIES			
3	Equity		
(a)	Equity Share Capital	1,432.41	1,324.21
(b)	Other Equity	34,713.70	27,438.15
		36,146.11	28,762.36
	Liabilities		
4	Non-Current Liabilities		
(a)	Financial Liabilities		
(i)	Borrowings	27,069.72	22,287.17
(ii)	Other Financial Liabilities	0.88	0.70
(b)	Provisions	51.66	30.20
(c)	Deferred Tax Liabilities (Net)	5,511.09	5,491.53
(d)	Other Non-Current Liabilities	370.04	211.48
		33,003.40	28,041.08
5	Current Liabilities		
(a)	Financial Liabilities		
(i)	Borrowings	14,819.37	16,145.80
(ii)	Trade Payables		
	Total outstanding dues of micro enterprises and small enterprises	131.13	105.56
	Total outstanding dues of creditors other than micro enterprises and small enterprises	17,566.34	11,193.41
(iii)	Other Financial Liabilities	20,341.97	23,338.74
(b)	Other Current Liabilities	5,694.46	2,912.10
(c)	Provisions	3,144.88	2,948.44
(d)	Current Tax Liabilities (Net)	351.72	366.97
		62,049.67	57,013.08
	Total Equity and Liabilities	131,239.18	114,014.52

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16. Disclosures as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

Particulars		31.03.2021	31.03.2020
(a) The Credit Rating in respect of Non-Convertible Debentures	CDSL	AAA/Stable	AAA/Stable
	India Ratings	AAA/Stable	AAA/Stable
	ICRA	AAA/Stable	AAA/Stable
(b) The Credit Rating in respect of Commercial Papers	CDSL	A3+	A3+
	India Ratings	A3+	A3+
	ICRA	A3+	A3+
(c) Net Worth (₹ in Crore)		36,186.11	28,962.36
(d) Debt Service Coverage Ratio (Earnings before Interest and Tax / Finance Cost + Principal Repayment of Long Term Borrowings & Lease Liabilities)		2.84	0.80
(e) Interest Service Coverage Ratio (Earnings before Interest and Tax / Finance Cost)		15.57	2.45
(f) Debt Equity Ratio (Debt excluding lease obligation)		0.70 : 1	0.84 : 1
(g) Debenture Redemption Reserve (₹ in Crore)		625.00	625.00
(h) Outstanding Debt excluding lease obligation (₹ in Crore)		25,189.54	24,381.94
(i) The outstanding NCDs of the Company as on 31st March 2021 are unsecured. However, in terms of Regulation 56(1) (d) of the SEBI (Listing Obligations and Disclosure Requirements) (ii) Asset Cover available in case of non-convertible debt securities Regulations, 2015, read with SEBI Circular no. SEBI/HQ/MI RSD/CRA/D/DIR/P/2020/730 dated November 12, 2020 the asset cover certificate as per above regulation will be provided to IDBI Trusteeship Services Limited, the debenture trustee for the NCDs.			

17. The details of Interest/Principal payment and due date in respect of Non-Convertible Debt securities is given below:

Debentures	Previous due date		Next due date	
	Interest	Principal	Interest	Principal
8.00% Unsecured Non-Convertible Debentures 2019 – Series I (ISIN: INE094A08028)	27.04.2020/ ₹ 40 Crore (Paid on due date)	NA	26.04.2021/ ₹ 40 Crore	25.04.2024/ ₹ 500 Crore
7.00% Unsecured Non-Convertible Debentures 2019 – Series II (ISIN: INE094A08036)	14.08.2020/ ₹ 340 Crore (Paid on due date)	NA	16.08.2021/ ₹ 340 Crore	14.08.2024/ ₹ 3000 Crore
6.80% Unsecured Non-Convertible Debentures 2019 – Series III (ISIN: INE094A08044)	15.12.2020/ ₹ 204 Crore (Paid on due date)	NA	15.12.2021/ ₹ 204 Crore	15.12.2023/ ₹ 3000 Crore
6.38% Unsecured Non-Convertible Debentures 2020 – Series I (ISIN: INE094A08051)	28.03.2021/ ₹ 38.28 Crore (Paid on due date)	NA	28.03.2022/ ₹ 38.28 Crore	12.04.2023/ ₹ 600 Crore
7.03% Unsecured Non-Convertible Debentures 2020 – Series II (ISIN: INE094A08059)	08.09.2021/ ₹ 98.42 Crore (Paid on due date)	NA	07.09.2022/ ₹ 98.42 Crore	12.04.2024/ ₹ 1400 Crore
5.36% Unsecured Non-Convertible Debentures 2020 – Series III (ISIN: INE094A08077)	NA	NA	04.08.2022/ ₹ 64.32 Crore	11.04.2025/ ₹ 1200 Crore
8.75% Unsecured Non-Convertible Debentures 2021 – Series IV (ISIN: INE094A08085)	NA	NA	25.10.2021/ ₹ 65.80 Crore	13.08.2023/ ₹ 2000 Crore

Commercial Papers (ISIN)	Previous due date		Next due date	
	Principal	Status	Principal	Status
INE094A14017	27.10.2020/ ₹ 1000 Crore	Paid on due date	NA	NA
INE094A140A5	17.10.2020/ ₹ 1000 Crore	Paid on due date	NA	NA
INE094A140B3	29.10.2020/ ₹ 1250 Crore	Paid on due date	NA	NA
INE094A140A5	13.10.2020/ ₹ 900 Crore	Paid on due date	NA	NA
INE094A140C1	19.10.2020/ ₹ 1000 Crore	Paid on due date	NA	NA
INE094A140D5	13.01.2021/ ₹ 700 Crore	Paid on due date	NA	NA
INE094A140F4	27.01.2021/ ₹ 800 Crore	Paid on due date	NA	NA
INE094A140E7	23.02.2021/ ₹ 1000 Crore	Paid on due date	NA	NA
INE094A140G2	25.02.2021/ ₹ 800 Crore	Paid on due date	NA	NA
INE094A140H0	26.02.2021/ ₹ 1000 Crore	Paid on due date	NA	NA
INE094A140B8	18.03.2021/ ₹ 800 Crore	Paid on due date	NA	NA
INE094A140J6	10.03.2021/ ₹ 300 Crore	Paid on due date	NA	NA
INE094A140E4	NA	NA	16.04.2021/ ₹ 800 Crore	NA
INE094A140L2	NA	NA	09.04.2021/ ₹ 500 Crore	NA
INE094A140M0	NA	NA	07.04.2021/ ₹ 500 Crore	NA
INE094A140N8	NA	NA	22.04.2021/ ₹ 1000 Crore	NA
INE094A140O6	NA	NA	11.06.2021/ ₹ 1200 Crore	NA

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IN TERMS OF OUR SEPARATE REPORT**



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18. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED

(₹ in Crore)

Particulars	Audited 31.03.2021	Audited 31.03.2020
A. Cash Flow From Operating Activities		
Profit/(Loss) Before Tax	14,246.79	1,572.58
Adjustments for:		
Depreciation and Amortization Expense	3,352.65	3,304.39
(Gain)/Loss on sale/write off of property, plant and equipment, Capital work-in-progress, Assets classified held for sale/disposal	51.30	(18.01)
Impairment in Value of Non-current Investments	50.00	229.73
Fair value gain on Current Investments carried at FVTPL	(72.90)	(262.66)
Finance Costs	914.72	1,081.72
Foreign Currency Transaction and Translation	(565.23)	906.23
Provision for Doubtful Debts, Loans & Receivables / Bad debts written off	699.70	238.43
Interest Income on current Investments	(379.94)	(366.30)
Dividend Received	(314.95)	(383.59)
Other Non-Cash Items	(37.87)	(105.97)
Operating Profit before Changes in Assets & Liabilities (Sub Total - (I))	18,089.27	8,315.58
Change in Assets and Liabilities:		
Decrease / (Increase) in Trade Receivables	(3,074.22)	1,717.30
Decrease / (Increase) in Loans and Other Assets	5,378.06	2,638.73
Decrease / (Increase) in Inventories	(5,452.00)	1,049.81
(Decrease) / Increase in Trade and Other Payables	3,956.42	(6,320.12)
Sub Total - (II)	2,838.17	860.71
Cash Generated from Operations (I) + (II)	20,927.44	7,176.27
Less: Direct Taxes paid (Net)	3,185.36	1,772.94
Net Cash Flow generated from/ (used in) Operating Activities (A)	17,722.28	5,403.33
B. Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment (including Capital Work in Progress / excluding interest capitalised)	(11,235.34)	(13,833.40)
Sale of Property, Plant and Equipment	58.35	48.76
Purchase of Investments (including share application money pending allotment/Advance towards Equity)	(2,245.02)	(931.91)
Interest received	378.85	367.30
Dividend Received	854.95	383.59
Net Cash Flow generated from / (used in) Investing Activities (B)	(12,728.21)	(14,165.71)
C. Cash Flow From Financing Activities		
Proceeds from long term borrowings	5,448.91	12,002.41
Repayment of long term borrowings and leasing liabilities	(4,779.71)	(2,250.96)
Proceeds / (repayment) of short term borrowings	(599.91)	1,882.54
Finance Cost paid	(1,564.61)	(1,330.62)
Buy-back of equity shares (including tax)	(1,313.47)	-
Dividend paid (including dividend distribution tax, as applicable)	(1,484.61)	(1,725.11)
Net Cash Flow generated from / (used in) Financing Activities (C)	(4,393.00)	8,478.76
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	901.07	(234.17)
Cash and cash equivalents at the beginning of the period	(2,906.53)	(2,672.41)
Cash and cash equivalents at the end of the period	(2,005.46)	(2,906.53)
Details of cash and cash equivalents at the end of the period:		
Cash and cash equivalents as on	31.03.2021	31.03.2020
Balances with Banks:		
- on current accounts	150.94	93.19
- on non-operative current accounts	0.02	0.01
Cash on hand	4.34	1.84
Less: Cash Credits	(2,460.75)	(3,001.57)
	(2,305.46)	(2,906.53)

19. The COVID-19 pandemic is continuing to inflict high economic and human costs causing slowdown of economic activity, locally and globally. Specific to the Corporation, the pandemic did have an impact in the sales volume, more pronounced in April 2020/Q1FY21 which had gradually tapered down by end of December 2020. Project construction sites which were required to be closed down after announcement of nationwide lockdown had restarted gradually and by September 2020, resumption to pre-COVID level could be achieved. Despite pandemic, being in the business of essential commodity, all critical supply locations have continued operating even during the lockdown period with health, hygiene and safety measures in place. Both Refineries and all the supply distribution locations including bulk storage terminals and depots, LPG bottling plants, aviation fuel stations, lube blending plants etc., functioned all through the year with optimized manpower during the lockdown period.

The impact assessment of pandemic is a continuing process given the uncertainties associated with its nature and duration. Being in the business of essential commodity, using the principles of prudence in applying judgements and estimates, the Corporation expects no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets, investments, loans, trade receivable etc. On the Capex front, the Corporation expects to go ahead with its capex plans and ensure execution of the same. The Corporation has adequate fund based limits with consortium as well as non-consortium banks for meeting its working capital requirements. There are adequate foreign and domestic resources that could be readily tapped for raising funds required for meeting any of its Capex or working capital needs and therefore there are no liquidity concerns. Unlike previous financial year, the current situation did not call for any significant write down of inventories at period end resorting to reporting of exceptional item in the financial statement (FY 2019-20: ₹ 1002.93 Crore, net of Tax: ₹ 750.51 Crore).

20. Previous period figures have been regrouped/reclassified, wherever necessary.

**FOR IDENTIFICATION
IN TERMS OF OUR SEPARATE REPORT**

Place: Mumbai
Date: May 20, 2021



20 MAY 2021



By order of the Board

K Kesavan
K Kesavan
Director (Finance)
DIN - 08202118

INDEPENDENT AUDITORS' REPORT

To
The Board of Directors
Hindustan Petroleum Corporation Limited

Report on the Audit of Consolidated Financial Results

1. Opinion

We have audited the accompanying Consolidated annual financial results of **HINDUSTAN PETROLEUM CORPORATION LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures for the year ended March 31, 2021 ("the Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and 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 on separate audited financial statements of the subsidiaries, associates and joint ventures, the aforesaid consolidated financial results :

(i) includes the annual financial results of the following entities:

A. Subsidiaries

1. HPCL Biofuels Limited
2. HPCL Middle East FZCO #
3. Prize Petroleum Company Limited *
4. HPCL Shapoorji Energy Private Limited@

B. Joint Ventures

1. HPCL - Mittal Energy Limited *
2. Hindustan Colas Private Limited
3. South Asia LPG Company Private Limited
4. Bhagyanagar Gas Limited
5. Petronet MHB Limited
6. Aavantika Gas Limited
7. HPCL Rajasthan Refinery Limited
8. Godavari Gas Limited
9. Mumbai Aviation Fuel Farm Facility Private Limited
10. HPOIL Gas Private Limited
11. Ratnagiri Refinery and Petrochemicals Limited



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12. IHB Pvt. Ltd.
13. Petronet India Ltd (in the process of winding up)

C. Associates

1. Mangalore Refinery and Petrochemicals Limited *
2. GSPL India Gasnet Limited
3. GSPL India Transco Limited

Incorporated/located outside India

* Based on Consolidated financial Statements

@ Result include as Joint Venture till 30.03.2021

- (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (iii) gives a true and fair view, in conformity with the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net Profit and other comprehensive income and other financial information of the Group for the year ended March 31, 2021.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, its associates and Joint Ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

3. Emphasis of Matter

- a) Note No 9 regarding provision for impairment made during the year of ₹ 390.67 Crores (cumulative as of year ended Rs. 618.07 Crores) towards loans given to consumers under Prime Minister Ujjwala Yojna (PMUY) of the total outstanding loans of ₹ 1882.25 Crores. The above impairment has been computed based on the estimates of default as assessed by the management. Further, during the year, the management has performed re-measurement of the gross carrying value and accounted re-measurement loss amounting to Rs. 450.62 Crores.
- b) Note No.10 regarding provision towards diminution in value of investments made by Provident Fund Trust and Post Retirement Medical Benefit Fund Trust to the extent of ₹ 170.10 Crores & ₹ 69.65 Crores respectively arising out of the default over interest obligations and probable principal amounting to ₹ 243 Crores & ₹ 99.50 Crores respectively in the case of Non-convertible Debentures of certain companies



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- which includes IL&FS & DHFL, basis best available estimate of the management. The estimate is dependent upon the outcome of matters pending with judicial authorities and recognition of Company's claim in these matters.
- c) Note No. 11 which describes the case towards claim of ₹ 19.90 crores being defended by one of the component HPCL Biofuels Limited. The outcome of the matter is uncertain as on the Balance Sheet date.
- d) Note No 16 regarding the outbreak of COVID-19 pandemic and the assessment made by the management on its business and financials for the year ended March 31, 2021, this assessment and the outcome of the pandemic is as made by the management and is highly dependent on the circumstances as they evolve in the subsequent periods.

Our opinion is not modified in respect of above matters.

4. Management's and Board of Directors' Responsibilities for the Consolidated Financial Results

These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including its associates and joint ventures in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates and Joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results 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 results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group and of its associates and Joint ventures are responsible for assessing the ability of the Group and its associates and Joint ventures 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 the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and Joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and Joint ventures.



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5. Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 results.

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

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to 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 Board of Directors.
- Conclude on the appropriateness of the Board of Directors 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 associates 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 results 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 associates and Joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and Joint ventures to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent



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auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

6. Other Matters:

- a) The consolidated Financial Results include the audited Financial Results of 4 subsidiaries (including 1 subsidiary acquired on March 30, 2021), whose Financial statements reflect total assets (before consolidation adjustments) of ₹ 2718.37 Crores as at 31st March 2021, total revenue (before consolidation adjustments) of ₹ 73.96 Crores and ₹ 289.73 Crores for the quarter and year ended March 31, 2021 respectively, as considered in the consolidated financial results, which have been audited by their respective independent auditors. The consolidated financial results also includes Group's share of net profit after tax of ₹ 143.85 Crores and ₹ 246.38 Crores for the quarter and year ended March 31, 2021 respectively, as considered in the consolidated Financial Results, in respect of 1 associate and 13 Joint Ventures, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

One of the subsidiaries is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their country and which have been audited by other auditor under generally accepted auditing standards applicable in their country. The Subsidiary's management has converted the financial statements of subsidiary located outside India from accounting principles generally accepted in their country to accounting principles generally accepted in India and certified by their auditors. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the Subsidiary management and certified by their auditors.



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- b) The consolidated Financial Results include the unaudited Financial Results of 1 Joint Venture company and 2 Associates, whose Financial Statements reflect Group's share of total net (loss) after tax of ₹ 0.89 crores and ₹ 6.61 crores for the quarter and year ended March 31, 2021 respectively, as considered in the consolidated Financial Results. These unaudited Financial Statements have been furnished to us by the Management and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of the Joint Venture and Associates is based solely on such unaudited Financial Statements. In our opinion and according to the information and explanations given to us by the Management, these Financial Statements are not material to the Group.

Our opinion on the consolidated Financial Results 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.

- c) The Holding company has less than minimum number of Independent Directors required in terms of the provisions contained in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. These financial statements have been reviewed and recommended to the Board of Directors by the Audit Committee consisting of one Independent Director and subsequently approved by the Board consisting of one Independent Director, who is also not an Independent Women Director. We have been informed that the Independent Directors are appointed by Government of India.
- d) The Consolidated financial results include the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For R. Devendra Kumar & Associates
Chartered Accountants
Firm Regn. No.114207W


Neeraj Golas
Partner

Membership No. 074392
UDIN: 21074392AAAABC1984



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For M.P. Chitale & Co.
Chartered Accountants
Firm Regn. No.101851W


Anagha Thatte
Partner

Membership No. 105525
UDIN: 21105525AAAADR3442



Place: Mumbai
Date: May 20, 2021

HINDUSTAN PETROLEUM CORPORATION LIMITED
 Regd. Office : 17, Jamshedji Tata Road, Mumbai - 400 020
 WEBSITE : www.hindustanpetroleum.com, E-mail : corp.hpc@hpc.co, CIN No: 133201MH1952GOI008858
STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

Particulars	Quarter Ended			Year ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited	Un-Audited	Audited	Audited	Audited
FINANCIAL PERFORMANCE					
1. Income					
(a) Gross Sale of Products	88,965.89	77,182.99	71,367.09	369,493.69	286,574.27
(b) Other Operating Revenue	258.88	299.86	287.23	1,064.27	1,167.78
(c) Other Income (refer Note # 5 below)	489.99	842.13	409.16	2,645.75	1,681.62
Total Income	89,754.76	78,324.98	72,063.48	373,203.71	289,423.67
2. Expenses					
(a) Cost of materials consumed	13,363.34	10,109.86	14,885.58	41,212.33	19,906.49
(b) Purchases of stock-in-trade	54,348.40	54,045.35	47,535.93	167,861.20	187,234.11
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3,830.99)	(2,895.43)	(736.00)	(8,318.53)	(394.31)
(d) Excise Duty	10,360.13	8,753.47	5,399.63	37,329.51	18,650.52
(e) Employee benefits expense	444.07	892.17	849.98	3,219.42	3,224.06
(f) Finance Costs	224.57	192.10	190.63	993.28	1,138.85
(g) Depreciation and amortisation expense	964.70	894.37	834.13	3,625.47	3,369.87
(h) Other expenses (refer Note # 5 below)	4,543.13	3,288.68	4,040.10	13,470.67	12,418.87
Total Expenses	81,717.35	75,212.35	73,161.98	259,163.35	286,588.28
3. Profit/(Loss) before share in profit / (loss) of Joint Ventures / Associates, exceptional items and tax (1-2)	8,037.41	3,112.63	(1,104.50)	14,040.36	2,835.39
4. Share in profit / (loss) of Joint Ventures / Associates	32.34	56.86	(545.43)	338.66	(458.17)
5. Profit/(Loss) before exceptional items and tax (3+4)	4,065.07	3,169.49	(1,649.93)	14,379.02	2,377.22
6. Exceptional items - Income/(Expenses)	-	-	(1,002.93)	-	(1,002.93)
7. Profit/(Loss) before tax (5+6)	4,065.07	3,169.49	(2,652.86)	14,379.02	1,374.29
8. Tax Expense					
(a) Current Tax	1,181.73	755.58	(1,030.10)	2,909.56	166.95
(b) Deferred Tax	(189.31)	40.30	(48.81)	(12.08)	116.79
(c) Provision for tax for earlier years written back (net)	16.63	-	(1,548.12)	16.63	(1,548.12)
Total Tax Expense	1,009.05	795.88	(2,625.23)	3,534.11	(1,264.44)
9. Net profit/(loss) for the period (7-8)	3,056.02	2,373.61	(27.63)	10,844.91	2,638.73
10. Other Comprehensive Income					
(a) Items that will not be reclassified to profit or loss (net of tax)	(43.87)	46.45	(347.68)	17.34	(438.12)
(b) Items that will be reclassified to profit or loss (net of tax)	70.34	31.75	(209.88)	195.49	(221.70)
Total Other Comprehensive Income	26.47	78.20	(557.56)	212.83	(669.82)
11. Total Comprehensive Income, for the period (9 +/- 10)	3,082.49	2,451.81	(585.19)	11,057.74	1,968.91
12. Paid up Equity Share Capital (Face value ₹ 10/- each) (refer Note # 5 below)	1,432.02	1,438.63	1,523.82	1,452.02	1,523.82
13. Other Equity excluding Revaluation Reserve				36,628.45	29,456.41
14. Basic and Diluted Earnings Per Share (of ₹ 10/- each) (not annualised) (refer Note # 7 below)	20.71	15.63	(0.18)	70.57	17.32

Notes:

- The above results, which are published in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on May 20, 2021.
- The Financial Results have been audited by the Statutory Auditors as required under Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Statutory Auditors have issued unmodified opinion on the Consolidated Financial Results for the quarter and year ended March 31, 2021.
- The Audited Accounts are subject to review by the Comptroller & Auditor General of India under section 145 (6) of the Companies Act, 2013.
- The Board has recommended a final dividend of ₹ 22.75 per equity share.
- Other Income for the period April - March, 2021 includes ₹ 1014.89 Crore towards gain (April - March, 2020 : Included in Other Expenses, a loss of ₹ 875.44 Crore) on account of foreign currency transactions and translations.
- Pursuant to ongoing shares buy-back program executed by the Corporation through Open Market Operations, 7,18,01,491, representing 4.71% of paid up Share Capital (prior to commencement of buy-back), having a face value of ₹ 71,80,14,910/- have been bought back. Of this, 6,79,77,088 shares have been extinguished as on reporting date and the rest of it on April 20, 2021. The effect of subsequent extinguishment, being adjusting event, under Ind-AS, has been duly recognized as on March 31, 2021 itself. Regulatory filing to stock exchanges on the buyback program is done regularly and also status posted on Company's website, www.hindustanpetroleum.com.
- The Basic and Diluted Earnings per Share (EPS) for the Quarter and year ended March 31, 2021 and the preceding Quarter ended December 31, 2020 have been calculated after duly considering shares bought back till the respective periods referred to in Note # 6 above, though a portion of it is extinguished subsequently. Thus, EPS for the Quarter and year ended March 31, 2021 is not comparable with figures reported for the corresponding previous year.
- The Group has accounted Nil Budgetary Support during April - March, 2021 (April - March, 2020 : ₹ 281.41 Crore) towards under recovery on sale of PDS SKO.



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9. Considering the recoverability of loan provided to Pradhan Mantri Ujjwala Yojana (PMUY) beneficiaries and further considering the steep decline in the average subsidy on Domestic LPG during the year and the consequential increase in loan tenure, appropriate provision is recognized and the carrying value of loan outstanding as at Balance Sheet date is re-measured fairly Management Estimates of future cash inflows. Other Expenses for the period April - March, 2021 includes ₹841.29 Crore (April - March, 2020 : ₹133.69 Crore) towards impairment provision and impact of re-measurement of carrying value of loan.
10. Pursuant to flow of the investments made by the Corporation's Provident Fund Trust and Post-retirement Medical benefit Trust, which witnessed default in the interest and/or Principal obligations, a provision towards diminution was recognized in the Books of the Corporation during financial year 2019-20. In anticipation of probable default, these investments, namely, ₹ 243 Crore by Provident Fund Trust and ₹ 99.50 Crore by PRMB Trust were marked down by 70%, i.e. to the extent of ₹ 170.10 Crore & ₹ 69.65 Crore respectively, which continues to be the true and fair valuation as of 31/03/2021 as per management assessment.
11. In case of HPCI Biofuels Ltd (HBL), in the month of October 2018, one of the EPCC vendor has filed petition against HBL in NCLT, Kolkata Bench under IBC Code 2016 in which party has raised a claim of ₹13.90 Crore in law of unpaid operational debt, interest on alleged debt and legal expenses. On 12.02.2020, order against HBL was passed by NCLT, Kolkata accepting application/ petition of the Vendor and thereby NCLT appointed Insolvency resolution Professional (IRP). However, being aggrieved, against the NCLT Kolkata Order, Group sought stay against execution of NCLT Kolkata order and Hon'ble Supreme court granted interim stay against the impugned order on 06.03.2020. The matter was heard on 26.03.2021 in Hon'ble Supreme Court and the court has allowed our appeal and remanded the matter to NCLAT, to decide the issue on merits.
12. The figures for the quarter ended March 31, 2021 and March 31, 2020 represent the difference between the audited figures in respect of full financial year and the unaudited figures of nine months ended December 31, 2020 and December 31, 2019 respectively.



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14. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED:

[€ in Crores]

Particulars	Audited 2020-21	Audited 2019-20
A. Cash Flow From Operating Activities		
Profit/(Loss) before Tax	14,197.00	1,374.29
Adjustments for:		
Depreciation and Amortization Expense	3,625.47	3,368.87
(Gain)/Loss on sale/write off of property, plant and equipment, Capital work-in-progress, Assets classified held for sale/disposal	11.18	(10.43)
Fair value gain on Current Investments carried at FVTPL	(72.90)	(262.64)
Finance Costs	963.28	1,138.85
Foreign Currency Transaction and Translation	(565.37)	874.64
Provision for Doubtful Debts, Loans & Receivables / Bad debts written off	656.84	82.97
Interest Income on Current Investments	(385.62)	(373.48)
Dividend Received	(13.64)	(28.78)
Share of Profit from Associate and Joint Venture companies	(138.66)	458.17
Fair Valuation gain on existing held equity interest	(158.89)	-
Other Non-Cash Items	(78.56)	(164.77)
Operating Profit before Changes in Assets and Liabilities (Sub Total - (i))	18,120.03	6,449.71
Change in Assets and Liabilities :		
Decrease / (Increase) in Trade Receivables	(2,335.81)	1,733.20
Decrease / (Increase) in Loans and Other Assets	5,367.32	2,599.94
Decrease / (Increase) in Inventories	(5,439.00)	1,115.11
(Decrease) / Increase in Trade and Other Payables	9,902.08	(4,705.78)
Sub Total - (ii)	2,894.39	742.47
Cash Generated from Operations (i) + (ii)	21,014.42	7,192.18
Less: Direct Taxes paid (Net)	3,185.16	1,722.04
Net Cash Flow generated from/ (used in) Operating Activities (A)	17,829.26	5,469.24
B. Cash Flow From Investing Activities		
Purchase of Property, Plant & Equipment (including Capital Work in Progress / excluding interest capitalised)	(11,666.00)	(13,856.51)
Sale of Property, Plant & Equipment	59.08	62.44
Purchase of Investments (including share application money pending allotment/Advance towards Equity)	(1,372.24)	(931.91)
Interest received	385.62	374.50
Dividend received from Associate and Joint Venture companies	301.31	154.83
Dividend received - others	13.64	28.76
Net Cash Flow generated from / (used in) Investing Activities (B)	(12,278.59)	(14,167.89)
C. Cash Flow From Financing Activities		
Proceeds from Long term borrowings	5,449.45	11,933.40
Repayment of Long term borrowings and leasing liabilities	(4,547.19)	(2,167.74)
Proceeds / (repayment) of Short term borrowings	(624.91)	1,697.54
Finance Cost paid	(1,598.66)	(1,286.13)
Buy-back of equity shares (including tax)	(1,813.47)	-
Dividend paid (including dividend distribution tax, as applicable)	(1,484.41)	(1,725.11)
Net Cash Flow generated from / (used in) Financing Activities - (C)	(4,299.19)	8,453.96
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	841.48	(246.69)
Cash and cash equivalents at the beginning of the period	(2,912.13)	(2,665.44)
Cash and cash equivalents at the end of the period	(2,070.65)	(2,912.13)
Details of cash and cash equivalents at the end of the period:	31.03.2021	31.03.2020
Cash and cash equivalents as on:		
Balances with Banks:		
-on current accounts	365.43	108.54
-on non-operative current accounts	0.01	0.01
Cheques awaiting Deposit	-	-
Cash on hand	4.54	1.84
Fixed Deposits with Original Maturity Less than 3 months	-	-
Balances with other banks	110.60	93.37
Less: Cash Credits	(2,551.01)	(3,116.85)
	(2,070.65)	(2,912.13)



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15 Consolidated Segment-wise Revenue, Results, Assets and Liabilities

(₹ in Crore)

Particulars	Quarter Ended			Year Ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited	Un-Audited	Audited	Audited	Audited
1 SEGMENT REVENUE					
a) Downstream Petroleum	85,208.08	77,415.41	71,555.20	270,335.31	287,418.40
b) Others	66.37	70.03	116.29	268.86	367.89
Sub-Total	85,274.45	77,485.44	71,671.49	270,604.17	287,786.29
Less: Intra-Segment Revenue	8.68	2.58	17.17	26.41	43.84
Total Revenue	85,265.77	77,482.86	71,654.32	270,577.76	287,742.05
2 SEGMENT RESULTS					
a) Profit / (Loss) before Tax, Interest Income, Interest Expenditure and Dividend from each Segment					
i) Downstream Petroleum	4,833.40	2,896.23	(2,379.72)	14,034.08	1,659.83
ii) Others	(10.09)	(18.99)	(15.56)	(46.23)	(88.26)
Sub-Total of (a)	4,823.31	2,877.24	(2,395.30)	13,987.85	1,571.57
b) Finance Cost	224.57	132.30	350.63	963.28	1,138.85
c) Other Un-allocable Expenditure (Net of Un-allocable Income)	(238.47)	(367.79)	(688.90)	(1,033.77)	(1,399.74)
d) Share in profit / (loss) of Joint Ventures / Associates	32.34	56.86	(545.43)	138.66	(488.17)
Profit / (Loss) before tax (a-b-c+d)	4,869.75	3,169.59	(2,652.86)	14,197.06	1,374.29
3 SEGMENT ASSETS					
a) Downstream Petroleum	131,434.99	129,812.89	115,843.46	131,434.99	115,843.46
b) Others (Unallocated-Corporate)	2,724.72	954.54	1,066.44	2,724.72	1,066.44
Total	134,159.71	130,767.43	116,909.90	134,159.71	116,909.90
4 SEGMENT LIABILITIES					
a) Downstream Petroleum	94,689.58	93,415.45	84,734.34	94,689.58	84,734.34
b) Others (Unallocated-Corporate)	1,389.27	749.68	1,194.94	1,389.27	1,194.94
Total	96,078.85	94,165.13	85,929.28	96,078.85	85,929.28

Notes:

- There are no reportable segments other than downstream petroleum, as per para 12 of Ind AS 108 on Reporting of Operating Segments.
- Segment Revenue comprises of the following:
 - Turnover
 - Subsidy from Government of India
 - Other Operating Revenues
- There are no geographical segments.

16 The COVID-19 pandemic is continuing to inflict high economic and human costs causing slowdown of economic activity, locally and globally. Specific to the Group, the pandemic did have an impact in the sales volume, more pronounced in April 2020/Q1FY21 which had gradually tapered down by end of December 2020. Project construction sites which were required to be closed down after announcement of nationwide lockdown had restarted gradually and by September 2020, resumption to pre-COVID level could be achieved. Despite pandemic, being in the business of essential commodity, all critical supply locations have continued operating even during the lockdown period with health, hygiene and safety measures in place. Both refineries and all the supply distribution locations including bulk storage terminals and depots, LPG bottling plants, aviation fuel stations, lube blending plants etc., functioned all through the year with optimised manpower during the lockdown period.

The impact assessment of pandemic is a continuing process given the uncertainties associated with its nature and duration. Being in the business of essential commodity, using the principles of prudence in applying judgements and estimates, the Group expects no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets, investments, loans, trade receivable etc. On the Capex front, the Group expects to go ahead with its capex plans and ensure execution of the same. The Group has adequate fund based limits with consortium as well as non-consortium banks for meeting its working capital requirements. There are adequate foreign and domestic resources that could be readily tapped for raising funds required for meeting any of its Capex or working capital needs and therefore there are no liquidity concerns. Unlike previous financial year, the current situation did not call for any significant write down of inventories at period end resulting to reporting of exceptional item in the financial statement (FY 2019-20: ₹ 3002.93 Crore, net of Tax: ₹ 750.51 Crore).

17 Previous period figures have been regrouped/reclassified, wherever necessary.

Place : Mumbai
Date : May 20, 2021



FOR IDENTIFICATION
IN TERMS OF OUR SEPARATE REPORT



20 MAY 2021



By order of the Board

[Signature]
R Kesavan
Director (Finance)
DIN - 08202118



हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड

(भारत सरकार उपक्रम) रजिस्टर्ड ऑफिस : 17, जमशेदजी टाटा रोड, मुंबई - 400 020.

HINDUSTAN PETROLEUM CORPORATION LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE) REGISTERED OFFICE : 17, JAMSHEDJI TATA ROAD, MUMBAI - 400 020.

17, जमशेदजी टाटा रोड, पोस्ट बॉक्स नं. - 11041, मुंबई - 400 020. दूरभाष : 2286 3900 • फॅक्स : 2287 2992 • ई-मेल : corphqo@hpcil.co.in
17, Jamshedji Tata Road, P. O. Box No. - 11041, Mumbai - 400 020. Tel. : 2286 3900 • Fax : 2287 2992 • e-mail : corphqo@hpcil.co.in
CIN No. : L23201MH1952GOI008858

Annexure - B1

Format of the Annual Disclosure to be made by an entity identified as a Large Corporate as per the SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018.

1. Name of the Company : Hindustan Petroleum Corporation Limited
2. CIN : L23201MH1952GOI008858
3. Report filed for FY : FY 2020-21
4. Details of the borrowings (all figures in Rs crore) :

Sr. No.	Particulars	Details
i	Incremental borrowing done in FY (Note-1) (a)	3300
ii	Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	825
iii	Actual borrowings done through debt securities in FY 2020-2021 (c)	3200
iv	Shortfall in the mandatory borrowing through debt securities, if any (d) = (b) - (c) (If the calculated value is zero or negative, write "nil")	Nil
v	Reasons for short fall, if any, in mandatory borrowings through debt securities	NA

V

MURALI

(Signature)

V Murali

Designation: Company Secretary

Contact Details - (022) 22863611

(Signature)

R Kesavan

Designation: Director Finance
& Chief Financial Officer

Contact Details - (022) 22863601

Date: 19/04/2021

Note-1: As per para 3.1 of the SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018, "Incremental borrowings" means borrowing made during FY 2020-2021, of original maturity of more than 1 year, and excludes external commercial borrowings and inter-corporate borrowings between a parent and subsidiary(ies).



हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड

(भारत सरकार अधिनियम) रजिस्टर्ड ऑफिस : 17, जमशेदजी टाटा रोड, मुंबई - 400 020.

HINDUSTAN PETROLEUM CORPORATION LIMITED

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17, जमशेदजी टाटा रोड, पोस्ट बॉक्स नं. - 11041, मुंबई - 400 020. दूरभाष - 2286 3900 • फॅक्स - 2287 2992 • ई-मेल : corphqo@hpcil.co.in
17, Jamshedji Tata Road, P. O. Box No. - 11041, Mumbai - 400 020. Tel. : 2286 3900 • Fax : 2287 2992 • e-mail : corphqo@hpcil.co.in
CIN No. : L23201MH1952GOI008858

Format of the Initial Disclosure (FY 2021-2022)

Sr.No.	Particulars	Details
1.	Name of the Company	Hindustan Petroleum Corporation Limited
2.	CIN	L23201MH1952GOI008858
3.	Outstanding borrowing of the company (In Rs. Crore)*	As on 31.03.2021 Rs 13,550 crores
4.	Highest Credit Rating During the previous FY along with names of the Credit Rating Agency	HPCL has been rated "AAA" by CRISIL, ICRA and India Ratings.
5.	Name of the Stock Exchanges in which the fine shall be paid, in case of shortfall in the required borrowing under the framework.	i. BSE Limited and ii. National Stock Exchange of India Limited

* Denotes outstanding Long-term borrowing as defined in point 2.2 (ii) of the Circular.

We confirm that we are a Large Corporate as per the applicability criteria given under the SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018.

V

MURALI

V. Murali
Company Secretary

Contact Details: (022) 22863611

Date: 19/04/2021

R. Kesavan
Director Finance & Chief Financial
Officer
Contact Details: (022) 22863601



Notes to Financial Statements for the year ended 31st March, 2021

1. Corporate Information

Hindustan Petroleum Corporation Limited referred to as “HPCL” or “the Corporation” was incorporated on 5th July, 1952. HPCL is a Government of India Enterprise listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, with ONGC holding 51.11% of Equity Shares w.e.f. 31st January, 2018. Pursuant to shares buy-back, the ONGC holding as of 31.03.2021 is 53.64%. The Corporation is engaged, primarily in the business of refining of crude oil and marketing of petroleum products. The Corporation has, among others, refineries at Mumbai and Vishakhapatnam, LPG bottling plants and Lube blending plants. The Corporation’s marketing infrastructure includes vast network of Installations, Depots, Aviation Service Stations, Retail Outlets and LPG distributors.

Authorization of financial statements

The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors on 20th May, 2021 (refer Note 63).

1.1. Basis for preparation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“Act”) read with Companies (Indian Accounting Standards) Rules, 2015; and other relevant provisions of the Act and Rules thereunder.

The Financial Statements are prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Corporation has adopted Ind AS in accordance with Ind AS 101 (First time adoption of Indian Accounting Standards). The transition was carried out from Accounting Standard as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, (previous GAAP). The Corporation’s presentation currency and functional currency is Indian Rupees (₹). All figures appearing in the Financial Statements are rounded off to the nearest Crore (₹ Crore), except where otherwise stated.

1.2. Use of Judgement and Estimates

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affecting the financial statements of future periods. The Corporation continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligation, key actuarial assumptions;
- Provisions and Contingencies; and
- Evaluation of recoverability of deferred tax assets.

Revisions to accounting estimates are recognized prospectively in the Financial Statements in the period in which the estimates are revised and in any future periods affected.

2. Significant Accounting Policies

2.1. Property, Plant and Equipment

- 2.1.1. Freehold lands are carried at cost. All other items of Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- 2.1.2. The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes); any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by management; initial estimated present value of any of any contractual decommissioning obligation; and borrowing cost for qualifying assets (i.e., assets that necessarily take a substantial period of time to get ready for their intended use).
- 2.1.3. Technical know-how / licence fee relating to plants / facilities are capitalized as part of cost of the underlying asset.
- 2.1.4. Expenditure during construction period: Direct expenses incurred during construction period on capital projects are capitalised.
- 2.1.5. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Corporation.
- 2.1.6. Spare parts which are meeting the requirement of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit and Loss on consumption.
- 2.1.7. An item of Property, Plant and Equipment and any significant part initially recognised separately as part of Property, Plant and Equipment is derecognised upon disposal; or when no future economic benefits are expected from its use or disposal; or when the Property, Plant Equipment has been re-classified as ready for disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised.
- 2.1.8. The residual values and useful lives of Property, Plant and Equipment are reviewed during each financial year and changes are accounted for as change in accounting estimates on a prospective basis.
- 2.1.9. The Corporation has chosen the carrying value of Property, Plant and Equipment existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April, 2015 as deemed cost.

2.2. Depreciation / amortization

- 2.2.1. Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Corporation has assessed the estimated useful lives of its Property, Plant & Equipment and has adopted the useful lives and residual value as prescribed in Schedule II except for the following:

Useful Life (Basis internal technical assessment):

Plant and Machinery relating to Retail Outlets (other than Storage tanks and related equipment)	15 years
Cavern Structure	60 years
LPG cylinders & regulators (excluding cylinders held for sale)	15 years
CNG Compressors	10 years
CNG Cascades and SS tubing in CNG Stations	20 years

Residual Value (Basis historical data):

LPG cylinder and pressure regulator	15% of original cost
Catalyst with noble metal content	90% of original cost of noble metal content



- 2.2.2. The Corporation depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components is assessed by considering historical experience, internal technical inputs and any other relevant factor.
- 2.2.3. Items of Property, Plant and Equipment costing not more than the threshold limit are depreciated at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators (excluding cylinders held for sale) which are depreciated over a useful life of 15 years based on the technical assessment.
- 2.2.4. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.
- 2.2.5. Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

2.3. Intangible assets

- 2.3.1. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding development costs, are not capitalised and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Development costs are capitalised if technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Corporation has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.
- 2.3.2. Assets where entire output generated is committed to be sold to a public sector entity (including Government body) for almost entire useful life of the asset are classified as intangible assets as per the requirements of Ind AS and are amortised (after retaining the residual value, if applicable) over their useful life.
- 2.3.3. In cases where, the Corporation has constructed assets and the Corporation has only a preferential right to use, these assets are classified as intangible assets and are amortised (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.
- 2.3.4. The useful lives of intangible assets are assessed as either finite or indefinite.
- 2.3.5. Intangible assets with finite lives are amortised on straight line basis over their useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year end. The amortisation expense on intangible assets with finite lives and impairment loss is recognised in the statement of Profit & Loss.
- 2.3.6. Intangible assets with indefinite useful lives, such as 'right of way' which is perpetual and absolute in nature, are not amortised, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognised in the Statement of Profit and Loss.
- 2.3.7. Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets.
- 2.3.8. Estimated lives of intangible assets (acquired) are as follows:
- Software: 7 to 10 years
 - Technical know how/license fees: 7 to 15 years
 - Right to use – wind mills: 22 years
- 2.3.9. The Corporation has chosen the carrying value of Intangible Assets existing as per previous GAAP as on date of transition to Ind AS i.e., 1st April 2015 as deemed cost.

2.4. Borrowing Cost

- 2.4.1. Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange rate variation to the extent regarded as an adjustment to interest cost.
- 2.4.2. Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset till the month in which the asset is ready for intended use. All other borrowing costs are expensed in the period in which they are incurred.

2.5. Non-currents assets held for sale

- 2.5.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met, only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.
- 2.5.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.
- 2.5.3. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortized.

2.6. Leases

Wherever a Contract conveys the right to control the Use of an identified Asset by either of the PARTIES for a period of time and in exchange for consideration, there arises a Lease Contract. At inception of every Contract, the Corporation examines the existence to the lease elements in a Contract and thereafter carries out appropriate accounting either as Lessor or Lessee.

2.6.1 Lessee:

At the commencement of the lease, the Corporation recognises right-of-use asset and lease liability, with an exception of short-term leases or lease of low-value underlying assets. The right-of-use asset is measured at cost, made up of the initial measurement of the lease liability, initial direct costs, an estimate of dismantling cost including removal of the asset at the end of the lease and any lease payments on or before commencement (net of any incentives received) of the lease.

The lease liability is measured at Present Value of the lease payments to be made during the course of the lease by using incremental borrowing rate that prevail at the beginning of each quarterly period for a similar tenure (such as AAA Corporate Bond rates for varying tenures of 5, 10 & 15 years) for all of the contracts executed in that period. The variable lease payments, which do not depend on an index or a rate, are excluded from the measurement of lease liability.

The Corporation has elected not to separate non-lease components in a contract and account as one unified lease contract covering all underlying assets by using the practical expedient prescribed in the Standard.

On re-measurement of lease liability, the right-of-use asset is suitably readjusted unless such readjustment lead to a restatement of carrying value below zero, in which case, the resultant amount is directly routed through Statement of Profit & Loss Account.

2.6.2 Lessor:

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. In all other cases, it is treated as operating lease.

2.7. Impairment of Non-Financial Assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment.

An impairment loss is recognised whenever the carrying amount of assets of cash generating unit (CGU) exceeds their recoverable amount.



2.8. Inventories

2.8.1. Valuation of inventories (including in transit) of different categories is as under:

- a) Crude oil is valued at cost on First in First Out (FIFO) basis or at net realisable value, whichever is lower. Crude oil is not written down below cost except in cases where their prices have declined subsequently and it is estimated that the cost of the finished goods will exceed their net realisable value.
- b) Raw materials for lubricants are valued at weighted average cost or at net realisable value, whichever is lower.
- c) Stock-in process is valued at raw material cost plus cost of conversion or at net realisable value, whichever is lower.
- d) Finished products other than Lubricants are valued at cost (on FIFO basis month-wise) or at net realisable value, whichever is lower.
- e) Finished products (lubricants) are valued at weighted average cost or at net realisable value, whichever is lower.
- f) Empty packages are valued at weighted average cost.
- g) Stores and spares which do not meet the recognition criteria under Property, Plant and Equipment are valued at weighted average cost. Surplus, obsolete and slow moving stores and spares, if any, are valued at cost or net realizable value whichever is lower. Surplus items, when transferred from completed projects are valued at cost / estimated value, pending periodic assessment/ascertainment of condition. Stores and Spares in transit are valued at cost.

2.8.2. Customs duty on Raw materials/Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee.

2.8.3. Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on applicable duty.

2.8.4. The net realisable value of finished goods and stock in trade are final selling prices for sales to oil marketing companies and depot prices applicable to the locations. For the purpose of stock valuation, the proportion of sales to oil marketing companies and consumer sales are determined on location wise and product wise sales of subsequent period.

2.9. Revenue recognition

2.9.1. Sale of goods

Revenue is recognised when:

- a) The Corporation satisfies a performance obligation by transferring control of a promised goods / services to a customer;
- b) Transaction price is allocated on each performance obligation and is recognised as and when the particular performance obligation is satisfied either at a point in time or over a period of time;
- c) The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer including excise duties, as applicable and is measured at the fair value of the consideration received or receivable, net of returns, taxes or duties collected on behalf of the government and trade discounts or rebates, as applicable;
- d) It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Revenue is allocated between Loyalty Programs and other components of the sale. The amount allocated to the Loyalty Program is deferred, and is recognised as Revenue when the Corporation has fulfilled its obligation to supply the products under the terms of the Program or when it is no longer probable that the points under the Program will be redeemed.

Where the Corporation acts as an agent on behalf of a third party, the associated Revenue is recognised on a net basis.

Claims, including subsidy on Liquefied Petroleum Gas (LPG) and Superior Kerosene Oil (SKO), from Government of India, are booked on in-principle acceptance thereof on the basis of available instructions / clarifications, subject to final adjustments as stipulated.

2.9.2 Interest income is recognised taking into account the amount outstanding and the applicable effective interest rate.

2.9.3 Dividend is recognised when right to receive the payment is established.

2.10. Accounting / classification of expenditure and income

2.10.1. Income / expenditure in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively.

2.10.2. Prepaid expenses upto threshold limit in each case, are charged to revenue as and when incurred.

2.10.3. Insurance claims are accounted on acceptance basis.

2.10.4. All other claims / entitlements are accounted on the merits of each case.

2.10.5. Raw materials consumed are net of discount towards sharing of under-recoveries.

2.11. Employee benefits

2.11.1. Short-term employee benefit

Short term employee benefits are recognized as an expense at undiscounted amount in the Statement of Profit & Loss of the year in which the related services are rendered by the employees.

2.11.2. Post-employment benefits

Defined Contribution Plans:

Obligations for contributions to defined contribution plans are expensed in the Statement of Profit & Loss of the year in which the related services are rendered by the employees.

Defined Benefit Plans:

Post-employment benefits

Liability towards defined employee benefits (gratuity, pension, post-retirement medical benefits, ex-gratia and resettlement allowance) are determined on actuarial valuation by independent actuaries at the year-end by using Projected Unit Credit method.

Re-measurements of the net defined benefit liability, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income.

Other long-term employee benefits

Liability towards other long term employee benefits (leave encashment, long service awards, provident fund contribution to trust and death benefits) are determined on actuarial valuation by independent actuaries using Projected Unit Credit method.

Re-measurements gains and losses are recognized in the Statement of Profit and Loss in the period in which they arise.



2.11.3. Termination benefits

Expenditure on account of Voluntary Retirement Schemes, are charged to Statement of Profit & Loss, as and when incurred.

2.12. Foreign currency transactions

2.12.1. Monetary items

Transactions in foreign currencies are initially recorded at the respective exchange rates prevailing at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognised in Statement of Profit and Loss either as 'Exchange Rate Variation' or as 'finance costs' (to the extent regarded as an adjustment to borrowing costs), as the case maybe.

In case of long term foreign currency monetary items outstanding as of 31st March 2016, foreign exchange differences arising on settlement or translation of long term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in case of other long term foreign currency monetary items, if any, accumulated in 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the balance period of the asset / liability.

2.12.2 Non – Monetary items

Non-monetary items, other than those measured at fair value, denominated in foreign currency, are valued at the exchange rate prevailing on the date of transaction.

2.13. Investment in Subsidiary, associates and joint ventures

Investments in equity shares of Subsidiaries, Joint Ventures & Associates are recorded at cost and reviewed for impairment at each reporting date.

The Corporation has chosen the carrying value of the investment in Subsidiaries, associates and joint ventures existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April 2015 as deemed cost.

2.14. Government Grants

2.14.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

2.14.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

2.14.3. When the grant relates to property, plant and equipment, the cost of property, plant and equipment is shown at gross value and grant thereon is treated as liability (deferred income) and are credited to statement of profit and loss on a systematic basis over the useful life of the asset.

2.15. Exploration & production expenditure

"Successful Efforts Method" of accounting is followed for Oil & Gas exploration and production activities as stated below:

2.15.1. Cost of surveys, studies, carrying and retaining undeveloped properties are expensed out in the year of incurrence.

2.15.2. Cost of acquisition, drilling and development are treated as Capital Work-in-Progress when incurred and are capitalised when the well is ready to commence commercial production.

2.15.3. Accumulated costs on exploratory wells in progress are expensed out in the year in which they are determined to be dry.

2.15.4. The proportionate share in the assets, liabilities, income and expenditure of joint operations are accounted as per the participating interest in such joint operations.

2.16. Provisions and contingent liabilities

2.16.1. Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.16.2. If the effect of the time value of money is material, provisions are discounted using an appropriate discount rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

2.16.3. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Corporation, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

2.16.4. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

2.16.5. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit.

2.16.6. Contingent Liabilities are considered only when show-cause notice is converted into demand.

2.17. Fair value measurement

2.17.1. Fair value is the price that would be received/ paid to sell an asset or to transfer a liability, as the case may be, in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Corporation has access at that date. The fair value of a liability also reflects its non-performance risk.

2.17.2. While measuring the fair value of an asset or liability, the Corporation uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

Financial Instruments

2.18. Financial Assets

2.18.1. Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

2.18.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Corporation classifies financial assets (other than equity instruments) as under:

- (a) subsequently measured at amortised cost;
- (b) fair value through other comprehensive income; or
- (c) fair value through profit or loss

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.



Amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is:

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise or specify dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial recognition, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method and such amortization is recognised in the Statement of Profit and Loss.

Debt instruments at Fair value through profit and loss (FVTPL)

Fair value through profit and loss is a residual category for measurement of debt instruments.

After initial measurement, any fair value changes including any interest income, impairment loss and other net gains and losses are recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Corporation decides to classify the same either as at FVOCI or FVTPL. The Corporation makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all fair value changes being recognized in the Statement of Profit and Loss.

2.18.3. Impairment of financial assets

In accordance with Ind-AS 109, the Corporation applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date.

2.19. Financial Liabilities

2.19.1. Initial recognition and measurement

All financial liabilities (not measured subsequently at fair value through profit or loss) are recognised initially at fair value net of transaction costs that are directly attributable to the respective financial liabilities.

2.19.2. Subsequent measurement

The Corporation classifies all financial liabilities as subsequently measured at amortised cost by using the Effective Interest Rate Method ("EIR") and such amortisation is recognised in the Statement of Profit and Loss.

2.20. Financial guarantees

Financial guarantee contracts are recognised initially at fair value. Subsequently on each reporting date, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

2.21. Derivative financial instruments

The Corporation uses derivative financial instruments, such as forward contracts, interest rate swaps to mitigate its foreign currency risk, interest risk and commodity price risk arising out of highly probable forecast transactions and are presented in Financial Statements, either as Financial Assets or Financial liabilities as the case may be.

2.21.1 Derivatives Contracts designated as hedging instruments:

Wherever Hedge Accounting is undertaken, at the inception of a hedge relationship, the Corporation formally designates and documents a) the hedge relationship to which it wishes to apply hedge accounting and b) the risk management objective and strategy. In such cases, the derivative financial instruments are recognized at fair value with due assessment to effectiveness of the hedge instrument. By following Cash Flow Hedges, the effective portion of changes in the fair value is recognized in Other Comprehensive Income (OCI) and accumulated under Cash Flow Hedge Reserve within Other Equity whereas the ineffective portion, if any, is recognized immediately in the Statement of Profit and Loss and presented under Other Income or Other Expenses, as the case may be. The effective portion, previously recognized in OCI and accumulated as Cash Flow Hedge Reserve is reclassified to the Statement of Profit and Loss in the subsequent period, during which, the hedged expected future cash flows affect profit or loss and further guided to the same line item to which the underlying is accounted. Further, in case of previously recognized forecasted transaction, upon the knowledge of its non-occurrence, the effective portion of cumulative gain or loss is forthwith recognized by transferring from Cash Flow Hedge Reserve to the Statement of Profit and Loss. If the amount accumulated in Cash Flow Hedge Reserve is a loss and Corporation expects that all or a portion of that loss will not be recovered in one or more future period, the Corporation immediately reclassifies the amount that is not expected to be recovered into profit or loss as a reclassification adjustment. The hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

2.21.2 Derivatives Contracts not designated as hedging instruments:

The derivative financial instruments are accounted at fair value through Profit or Loss and presented under Other Income or Other Expenses, as the case may be.

2.22. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.23. Taxes on Income

2.23.1. Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

2.23.2. Deferred tax liability/asset on account of temporary difference is recognised using tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date.

2.23.3. Deferred tax assets are recognised and carried forward for all deductible temporary differences only to the extent that it is probable that taxable profit will be available in future against which the deductible temporary difference can be utilized.

2.23.4. The carrying amount of deferred tax assets/Liabilities is reviewed at each Balance Sheet date.

2.23.5. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, is considered as an asset when it is probable that the future economic benefits associated with it, will flow to the Corporation.



2.24. Earnings per share

- 2.24.1. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.
- 2.24.2. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

2.25. Cash and Cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.26. Cash Flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated. For the purpose of the Statement of Cash Flows, cash and cash equivalent consist of cash, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Corporation's cash management.

3. Property, Plant and Equipments

The following are the carrying values of Property, Plant & Equipments:

(₹ / Crore)

Particulars	Land - Freehold	Right-of-Use Assets [#]	Buildings	Plant & Equipment	Furniture & Fixtures	Transport Equipment	Office Equipment	Roads and Culverts	Railway Siding & Rolling Stock	E&P Assets	Total
Gross Block											
As on 01.04.2020	1,042.85	3,443.31	6,743.76	42,109.33	272.00	144.90	3,472.29	3,324.83	470.15	5.77	61,029.19
Additions	60.46	634.57	618.82	2,876.14	35.73	21.50	446.29	360.67	46.43	-	5,100.61
Deductions/ Reclassifications	(8.13)	20.74	5.79	154.87	13.18	1.37	23.21	3.64	-	-	214.67
As on 31.03.2021	1,111.44	4,057.14	7,356.79	44,830.60	294.55	165.03	3,895.37	3,681.86	516.58	5.77	65,915.13
Depreciation/ Amortisation											
As on 01.04.2020	-	172.09	746.83	8,774.07	101.99	61.78	1,632.20	1,670.86	121.36	1.07	13,282.25
For the year	-	213.25	192.98	2,240.00	30.21	15.23	439.75	373.20	33.31	0.48	3,538.41
Deductions/ Reclassifications	-	12.55	2.05	122.27	5.42	0.76	20.60	2.75	-	-	166.40
As on 31.03.2021	-	372.79	937.76	10,891.80	126.78	76.25	2,051.35	2,041.31	154.67	1.55	16,654.26
Net Block as on 01.04.2020	1,042.85	3,271.22	5,996.93	33,335.26	170.01	83.12	1,840.09	1,653.97	348.79	4.70	47,746.94
Net Block as on 31.03.2021	1,111.44	3,684.35	6,419.03	33,938.80	167.77	88.78	1,844.02	1,640.55	361.91	4.22	49,260.87

[#] refer note 41

Notes:

- Includes assets costing ₹ 0.007 Crore /- (31.03.2020 : ₹ 0.007 Crore) of erstwhile Kosan Gas Company that have not been handed over to the Corporation. Though Kosan Gas Company was to give up their claim, in view of the tenancy right sought by third party, the matter is under litigation.
- Includes ₹ 810.28 Crore (31.03.2020 : ₹ 799.55 Crore) towards Land, Building, Plant & Equipment, Furniture & Fixtures, Transport equipments, Office Equipments, Pipelines, Railway Sidings, etc. representing Corporation's Share of Assets, jointly owned with other Companies.
- Includes ₹ 32.25 Crore (31.03.2020 : ₹ 32.35 Crore) towards Roads & Culverts, Transformers & Transmission lines, Railway Sidings & Rolling Stock for which though ownership does not vest with the Company, operational control over such assets is exercised. These assets are amortized as per useful life specified in Schedule II of Companies Act, 2013.
- a) Includes following assets used for distribution of PDS Kerosene under Jana Kalyan Pariyojana against which financial assistance had been provided by Oil Industry Development Board:

Description	Original Cost (₹ / Crore)	
	31.03.2021	31.03.2020
Roads & culverts	0.13	0.13
Buildings	1.58	1.62
Plant & Equipment	2.07	2.09
Total	3.78	3.84

- b) Includes following assets held under PAHAL (DBTL) scheme against which financial assistance had been provided by Ministry of Petroleum & Natural Gas, Government of India:

Description	Original Cost (₹ / Crore)	
	31.03.2021	31.03.2020
Computer Software	7.49	7.49
Computers/ End use devices	5.65	5.65
Office Equipment	0.01	0.01
Automation, Servers & Networks	1.55	1.55
Total	14.70	14.70



5. Assets held for sale consists of items such as Plant and equipment, office equipment, transport equipment, buildings, furnitures and fixtures and roads and culverts which have been identified for disposal due to replacement/ obsolescence of assets which happens in the normal course of business. These assets are expected to be disposed off within the next twelve months. On account of classification of these assets as 'Asset held for sale', a loss of ` 13.92 Crore during the year (2019-20: ` 17.97 Crore) has been recognised in the statement of profit and loss.
6. Includes Right of Use Assets having Gross value ` 19.38 Crore (31.03.2020: ` 27.57 Crore) for land acquired on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB), that has not been amortized over the period of lease in view of freehold title that would vest upon fulfilment of certain terms and conditions, as per allotment letter.
7. Includes adjustment to Cost of Assets pursuant to exchange differences arising on long term foreign currency monetary items, which, in accordance with Para 7AA of Ind AS 21 read with Para D13AA of Ind AS 101 are capitalized and depreciated over the balance useful life of the assets.
8. The Corporation has considered pipeline assets laid within the boundary limit of its premises as integral part of Tanks / Other Plant and Machinery and have been depreciating such assets based on the useful life of associated Plant & Equipment, in line with the Schedule II of the Companies Act, 2013.
9. Includes assets of ` 1.03 Crore (31.03.2020: ` 1.20 Crore) forming part of Plant & Equipment, Buildings & Roads & Culverts, wherein though Infrastructure Facilities were provided at Railway Premises, no sales transactions were entered into during current financial year.
10. Assets of ` 0.02 Crore (31.03.2020 : ` 0.03 Crore) comprising 3 number of properties (31.03.2020 : 4) towards which title deeds for freehold/leasehold are not available and further for assets of ` 2.25 Crore (31.03.2020 : ` 2.27 Crore) comprising of 13 number of properties (31.03.2020 : 14) for which property tax receipts are available. Further in case of land taken on lease from Vishakhapatnam Port Trust (VPT) Legal formalities of registration of lease deed is pending in 36 cases having Gross block as at 31.03.2021 ` 593.45 Crore and Net Block as at 31.03.2021 ` 543.09 Crore.
11. The process of capitalization in respect of Property, Plant and Equipment including accounting of Capital Work-in-Progress is under continuous review and updation, wherever required, is being carried out on a regular basis.

4. Capital Work-in-Progress

	(` / Crore)	
	31.03.2021	31.03.2020
Unallocated Capital Expenditure and Materials at Site	21,111.16	15,313.94
Capital Stores lying with Contractors	954.45	494.25
Capital goods in transit	0.13	17.34
A	22,065.74	15,825.53
Construction period expenses pending apportionment (Net of recovery) :		
Opening balance	1,220.54	618.67
Add: Expenditure during the year:		
Establishment charges including Salaries and Wages	149.75	227.70
Interest	717.21	758.90
Loss / (gain) on foreign currency transactions and translations	(70.21)	206.80
Others	3.95	0.13
	2,021.24	1,812.20
Less: Allocated to assets capitalised/charged off during the year	33.72	590.80
Closing balance pending allocation	1,987.52	1,221.40
A + B	24,053.26	17,046.93

5. Intangible Assets

The following are the carrying values of Intangible assets :

(` / Crore)

Particulars	Right of Way	Technical / Process Licenses	Software	Wind Energy	Total
Gross Block					
As on 01.04.2020	347.99	67.37	117.34	188.56	721.26
Additions	123.07	-	6.63	0.29	129.99
Deductions/ Reclassifications	-	-	-	-	-
As on 31.03.2021	471.06	67.37	123.97	188.85	851.25
Depreciation/ Amortisation					
As on 01.04.2020	0.05	44.07	82.26	51.41	177.79
For the year	0.29	5.05	18.04	10.42	33.80
Deductions/ Reclassifications	-	-	-	-	-
As on 31.03.2021	0.34	49.12	100.30	61.83	211.59
Net Block as on 01.04.2020	347.94	23.30	35.08	137.15	543.47
Net Block as on 31.03.2021	470.72	18.25	23.67	127.02	639.66

Note: Includes ` 77.14 Crore (31.03.2020: ` 77.14 Crore) towards Right of Way representing Company's Share of Assets, jointly owned with other Companies.

5A. Intangible Assets under development

(` / Crore)

	31.03.2021	31.03.2020
Opening balance	96.76	48.41
Add: Expenditure during the year:		
Expenditure on Intangible assets	67.29	41.79
Establishment charges including Salaries and Wages	13.94	10.48
Interest	2.25	1.26
	180.24	101.94
Less: Capitalised during the year	-	5.18
Closing balance	180.24	96.76

6. Investment in Subsidiaries, Joint Ventures and Associates

(` / Crore)

	31.03.2021	31.03.2020
Investments in Equity Instruments		
Subsidiaries		
Un - Quoted		
HPCL - Biofuels Ltd		
97,89,51,511 (31.03.2020 : 62,51,71,511) Equity Shares of ` 10 each fully paid up	748.94	395.16
Less : Provision for Impairment (refer Note 56)	572.16	395.16
Prize Petroleum Company Ltd		
24,50,00,000 (31.03.2020 : 24,50,00,000) Equity Shares of ` 10 each fully paid up	248.97	248.07
Less : Provision for Impairment (refer Note 57)	162.98	162.98



	(` / Crore)	
	31.03.2021	31.03.2020
HPCL Middle East FZCO		
3,107 (31.03.2020 : 3,107) Shares of AED 1000 each fully paid up	5.92	5.92
HPCL Shapoorji Energy Pvt. Ltd. (refer Note 6.3)		
117,20,00,000 (31.03.2020 : Nil) Equity Shares of ` 10 each fully paid up	1,312.07	-
Associates		
Quoted		
Mangalore Refinery and Petrochemicals Ltd.		
29,71,53,518 (31.03.2020 : 29,71,53,518) Equity Shares of ` 10 each fully paid up	471.68	471.68
Un - Quoted		
GSPL India Transco Ltd		
6,40,20,000 (31.03.2020 : 5,41,20,000) Equity Shares of ` 10 each fully paid up	64.02	54.12
GSPL India Gasnet Ltd		
17,51,22,128 (31.03.2020 : 10,36,22,128) Equity Shares of ` 10 each fully paid up	175.12	103.62
Joint Ventures		
Un - Quoted		
HPCL Rajasthan Refinery Ltd (refer Note 6.1)		
179,82,37,000 (31.03.2020 : 129,87,37,000) Equity Shares of ` 10 each fully paid-up	1,798.24	1,298.74
HPCL Shapoorji Energy Pvt. Ltd. (refer Note 6.3)		
Nil (31.03.2020 : 17,50,00,000) Equity Shares of ` 10 each fully paid-up	-	175.00
HPCL-Mittal Energy Ltd. (refer Note 6.1)		
3,93,95,55,200 (31.03.2020 : 3,93,95,55,200) Equity Shares of ` 10 each fully paid up	3,939.56	3,939.56
Hindustan Colas Pvt. Ltd.		
47,25,000 (31.03.2020 : 47,25,000) Equity Shares of ` 10 each fully paid up	4.73	4.73
Petronet India Ltd. (refer Note 6.2)		
1,60,00,000 (31.03.2020 : 1,60,00,000) Equity Shares of ` 0.10 each fully paid up	0.16	0.16
Petronet MHB Ltd.		
27,43,33,672 (31.03.2020 : 27,43,33,672) Equity Shares of ` 10 each fully paid up	369.31	369.31
South Asia LPG Company Pvt. Ltd.		
5,00,00,000 (31.03.2020 : 5,00,00,000) Equity Shares of ` 10 each fully paid up	50.00	50.00
Bhagyanagar Gas Ltd.		
4,36,50,000 (31.03.2020 : 4,36,50,000) Equity Shares of ` 10 each fully paid up	128.25	128.25
Aavantika Gas Ltd		
2,95,57,038 (31.03.2020 : 2,95,57,038) Equity Shares of ` 10 each fully paid up	50.02	50.02
Mumbai Aviation Fuel Farm Facility Pvt. Ltd.		
4,82,88,750 (31.03.2020 : 4,82,88,750) Equity Shares of ` 10 each fully paid up	48.29	48.29
Godavari Gas Pvt. Ltd.		
1,60,74,643 (31.03.2020 : 1,60,74,643) Equity Shares of ` 10 each fully paid up	16.07	16.07
Ratnagiri Refinery and Petrochemicals Ltd.		
5,00,00,000 (31.03.2020 : 5,00,00,000) Equity shares of ` 10 each fully paid up	50.00	50.00
HPOIL Gas Pvt Ltd.		
7,25,00,000 (31.03.2020 : 6,00,00,000) Equity shares of ` 10 each fully paid up	72.50	60.00
IHB Pvt Ltd		
41,45,00,000 (31.03.2020 : 2,62,50,000) Equity shares of ` 10 each fully paid up	414.50	26.25
	9,233.21	6,936.81

(` / Crore)

	31.03.2021	31.03.2020
Disclosures towards Cost / Market Value / Impairment		
a Aggregate amount of Quoted Investments (Market Value)	1,152.96	686.42
b Aggregate amount of Quoted Investments (Cost)	471.68	471.68
c Aggregate amount of Unquoted Investments (Cost)	9,496.67	7,023.27
d Aggregate amount of Provision for impairment	735.14	558.14

- 6.1. As per the guidelines issued by Department of Public Enterprises (DPE) in August 2005, the Board of Directors of Navratna Public Sector Enterprises (PSEs) can invest in joint ventures and wholly owned subsidiaries subject to an overall ceiling of 30% of the net worth of the PSE. The Corporation has requested Ministry of Petroleum & Natural Gas (MOP&NG) to confirm its understanding that for calculating this ceiling limit, the amount of investments specifically approved by Government of India (i.e. investment in HPCL Mittal Energy Ltd (HMEI) and HPCL Rajasthan Refinery Limited (HRRL)) are to be excluded. The Corporation has calculated the limit of 30% investment in joint ventures and wholly owned subsidiaries, by excluding these investments. As per financial position as on 31st March 2021, the investments in joint ventures and wholly owned subsidiaries are well within the said 30% limit.
- 6.2. Petronet India Ltd. is in the process of Voluntary winding up w.e.f. August 30, 2018.
- 6.3. HPCL Shapoorji Energy Private Limited (HSEPL), a joint venture company with 50:50 ownership with SP Ports Private Limited (SPPPL) was incorporated in October 2013 to set up and operate an Liquefied Natural Gas (LNG) regasification terminal at greenfield port of Chhara, Gir Somnath District, Gujarat. On 30th March 2021, the Corporation acquired the entire shares held by SPPPL. Upon the acquisition, HSEPL has become a wholly owned subsidiary of the Corporation.

7. Other Investments

(` / Crore)

	31.03.2021	31.03.2020
Investment in equity instruments carried at fair value through other comprehensive income		
Quoted		
Oil India Ltd.(refer Note 7.1)		
2,67,50,550 (31.03.2020 : 2,67,50,550) Equity Shares of ` 10 each fully paid up	328.10	221.23
Scooters India Ltd.(refer Note 7.1)		
10,000 (31.03.2020 : 10,000) Equity Shares of ` 10 each fully paid up	0.04	0.02
Investment in equity instruments carried at fair value through Profit or Loss		
Un - Quoted		
Woodlands Multispecialty Hospital Limited of face value of ` 0.21 lakhs		
2,110 (31.03.2020 : 2,110) Equity shares of ` 10 each fully paid	0.00	0.00
Shushrusha Citizen Co-operative Hospital Limited of the face value of ` 0.10 lakhs		
100 (31.03.2020 : 100) Equity Shares of ` 100/- each fully paid	0.00	0.00
Total Investments in Equity Instruments	328.14	221.25
Investments in Preference Shares carried at fair value through profit or Loss		
Others		
Un - Quoted		
Compulsorily Convertible Preference shares in Start-Up Companies (refer Note 7.2)	13.82	8.68
Total Investments in Preference Shares	13.82	8.68
	341.96	229.93



- 7.1. The Corporation intends to hold these Investments for long term strategic purposes and accordingly designated them at fair value through Other Comprehensive Income. No strategic investments were disposed off during the financial year.
- 7.2. In view that these start-ups (20 start ups) are in the stage of their development and are mostly in traction and refinement stages, the carrying value of these start-ups is considered as a reasonable approximation of their fair value.

	(₹ / Crore)	
	31.03.2021	31.03.2020
Disclosures towards Cost / Market Value / Impairment		
a Aggregate amount of Quoted Investments (Market Value)	328.14	221.25
b Aggregate amount of Quoted Investments (Cost)	561.77	561.77
c Aggregate amount of Unquoted Investments (Cost)	13.82	8.68
d Aggregate amount of Provision for impairment	-	-

8. Loans

	(₹ / Crore)	
	31.03.2021	31.03.2020
Secured		
Employee loans and advances and Interest thereon, considered good	368.03	346.32
Unsecured		
Deposits, considered good	132.69	146.93
Loans to related parties, considered good (refer Note 43)	155.00	-
Loans to related parties which have significant increase in credit risk (refer Note 43)	-	69.50
Other Loans, considered good (refer Note 8.1)	776.86	911.75
Loan Receivables which have significant increase in credit risk (refer Note 8.1)	161.37	153.54
Loan Receivables – credit impaired (refer Note 8.1)	90.69	13.34
Less: Provision for Impairment (refer Note 8.2)	550.71	225.48
	1,133.93	1,415.90

- 8.1. Includes Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ₹ 963.05 Crore before impairment (31.03.2020: ₹ 1,027.1 Crore)
- 8.2. Includes Provision towards Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ₹ 550.71 Crore (31.03.2020: ₹ 162.43 Crore)

9. Other Financial Assets

	(₹ / Crore)	
	31.03.2021	31.03.2020
Share application money pending allotment	10.74	0.35
Bank Deposit with more than 12 months maturity (refer Note 9.1)	7.09	4.97
Lease Receivables	0.97	0.97
	18.80	6.29

- 9.1. Earmarked with various authorities.

10. Other Non-Current Assets

	(` / Crore)	
	31.03.2021	31.03.2020
Balances with Excise, Customs etc. (refer Note 10.1)	490.99	479.20
Less: Provision for doubtful receivables (refer Note 10.1)	22.30	-
Deposits	84.80	131.78
Advance Tax (net of provisions)	1,256.88	1,381.51
Capital advances	220.60	207.61
Advance to Employee's PF Trust (net of provisions) (refer Note 10.2)	72.90	-
Prepaid employee cost	168.60	176.28
Prepaid Lease Rental	0.30	0.30
Other Prepaid Expenses (including advance)	493.74	320.29
	2,766.51	2,696.97

10.1. Includes an amount of ` 80.56 Crore (2019-20: ` 80.56 Crore) on which a net provision of ` 22.30 Crore (2019-20 : Nil) made in the current financial year 2020-21 carried in the books as receivable towards Customs Duty refund claims filed relating to the period 1994-97 to 2020-21. As per the assessment made by the management, though partially provided, considering the effluxion of time, the refund is legally tenable, management is continuing to pursue the matter with Authorities for early settlement of these claims.

10.2. During the year, Trust has been provided with reimbursable advance of ` 243 Crore by the Corporation. (refer Note 69)

11. Inventories

	(` / Crore)	
	31.03.2021	31.03.2020
Raw materials (Including in transit 31.03.2021 : ` 993.50 Crore; 31.03.2020: ` 1,020.42 Crore)	3,906.20	2,950.06
Work-in-progress	1,020.53	914.72
Finished goods (Including in transit 31.03.2021 : ` 200.69 Crore ; 31.03.2020 : ` 88.17 Crore)	8,660.01	5,994.32
Stock-in-trade (Including in transit 31.03.2021 : ` 1,547.00 Crore; 31.03.2020: ` 1,322.23 Crore)	14,517.01	8,755.55
Stores and spares (Including in transit 31.03.2021 : ` 24.06 Crore; 31.03.2020 : ` 32.02 Crore)	447.33	500.02
Less : Provision for Stores and Spares	6.78	7.68
Packages	47.87	34.20
	28,592.17	19,141.19

11.1. The write-down including reversals, if any, of Inventories to net realisable value during the financial year amounted to ` 122.24 Crore (31.03.2020 : ` 1,002.93 Crore). The write downs and reversal are included in cost of materials consumed, changes in Inventories of finished goods, stock-in-trade and work in progress. (Refer Note 62)

**12. Investments**

	(` / Crore)	
	31.03.2021	31.03.2020
Investments carried at fair value through Profit or Loss		
Quoted - Government Securities		
6.90% Oil Marketing Companies' GOI Special Bonds, 2026 17,36,36,000 (31.03.2020 : 17,36,36,000) Bonds of ` 100 each face value	1,794.07	1,767.79
8.00% Oil Marketing Companies' GOI Special Bonds, 2026 24,41,000 (31.03.2020 : 24,41,000) Bonds of ` 100 each face value	26.37	26.18
8.20% Oil Marketing Companies' GOI Special Bonds, 2024 1,23,49,000 (31.03.2020 : 1,23,49,000) Bonds of ` 100 each face value	133.47	132.76
6.35% Oil Marketing Companies' GOI Special Bonds, 2024 18,32,33,000 (31.03.2020 : 18,32,33,000) Bonds of ` 100 each face value	1,870.31	1,834.06
7.59% Government of India, G - Sec Bonds, 2026 1,85,00,000 (31.03.2020 : 1,85,00,000) Bonds of ` 100 each face value (refer Note 12.1)	197.47	196.19
7.72% Government of India, G - Sec Bonds, 2025 8,36,00,000 (31.03.2020 : 8,36,00,000) Bonds of ` 100 each face value (refer Note 12.1)	897.03	892.01
8.33% Government of India, G - Sec Bonds, 2026 1,80,00,000 (31.03.2020 : 1,80,00,000) Bonds of ` 100 each face value (refer Note 12.1)	197.46	196.92
8.15% Government of India, G - Sec Bonds, 2026 2,75,00,000 (31.03.2020 : 2,75,00,000) Bonds of ` 100 each face value (refer Note 12.1)	301.40	298.95
	5,417.58	5,344.86

12.1. Bonds valuing ` 1,476 Crore (31.03.2020: ` 1,476 Crore) comprising 7.59% G - Sec Bonds of ` 185 Crore (31.03.2020: ` 185 Crore), 7.72% G - Sec Bonds of ` 836 Crore (31.03.2020: ` 836 Crore), 8.33% G - Sec Bonds of ` 180 Crore (31.03.2020: ` 180 Crore) and 8.15% G - Sec Bonds of ` 275 Crore (31.03.2020: ` 275 Crore), have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.

	(` / Crore)	
	31.03.2021	31.03.2020
Disclosures towards Cost / Market Value / Impairment		
a Aggregate amount of Quoted Investments (Market Value)	5,417.58	5,344.86
b Aggregate amount of Quoted Investments (Cost)	5,267.26	5,267.26
c Aggregate amount of Unquoted Investments (Cost)	-	-
d Aggregate amount of Provision for impairment	-	-

13. Trade Receivables

	(` / Crore)	
	31.03.2021	31.03.2020
Unsecured		
Considered good	6,207.32	3,943.31
Significant increase in credit risk	809.77	-
Credit impaired	159.36	159.33
Less: Allowances for Bad and Doubtful Debts (refer Note 13.1)	320.14	179.92
	6,856.31	3,922.72

13.1. Includes loss allowance of ` 302.62 Crore (31.03.2020 : ` 159.33 Crore) on trade receivables of ` 969.13 Crore (31.03.2020 : ` 159.33 Crore) for which the credit risk has been assessed on an individual basis.

14. Cash and Cash Equivalents

(` / Crore)

	31.03.2021	31.03.2020
Balances with Scheduled Banks:		
- on Current Accounts	150.94	93.19
- on Non-Operative Current Accounts	0.01	0.01
Cash on Hand	4.34	1.84
	155.29	95.04

15. Bank Balances other than cash and cash equivalents

(` / Crore)

	31.03.2021	31.03.2020
Earmarked balances with banks for unpaid dividend	19.01	17.70
Earmarked balances with banks for Shares Buy-back	62.50	-
Fixed Deposits with 3 - 12 months maturity (refer Note 15.1)	0.40	0.41
	81.91	18.11

15.1. Earmarked with various authorities.

16. Loans

(` / Crore)

	31.03.2021	31.03.2020
Secured		
Employee loans and advances and Interest thereon, considered good	52.74	45.16
Unsecured		
Loans to related parties, considered good (refer Note 43)	10.00	-
Loans to related parties which have significant increase in credit risk (refer Note 43)	-	70.50
Other Loans, considered good (refer Note 16.1)	105.23	354.35
Loan Receivables which have significant increase in credit risk (refer Note 16.1)	15.38	61.42
Loan Receivables – credit impaired (refer Note 16.1)	20.64	17.34
Less: Provision for Impairment (refer Note 16.2)	79.36	140.93
	124.63	407.84

16.1. Includes Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ` 117.8 Crore before impairment (31.03.2020: ` 410.84 Crore)

16.2. Includes Provision towards Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ` 67.36 Crore (31.03.2020: ` 64.97 Crore)

**17. Other Financial Assets**

(` / Crore)

	31.03.2021	31.03.2020
Amounts recoverable under subsidy schemes	17.26	432.63
Less: Provision for doubtful receivables	10.47	-
Interest accrued on Investments	89.43	88.34
Derivative Assets	5.20	16.04
Delayed payment charges receivable from customers	313.12	282.93
Less : Loss allowance	153.07	121.87
Receivables from Govt of India towards Pradhan Mantri Ujjwala Yojana (PMUY)	7.19	290.48
Receivables from Govt of India towards Direct Benefit Transfer of LPG (DBTL)	279.63	5,576.35
Balance with Life Insurance Corporation of India	975.04	1,041.76
Other Receivables (refer Note 17.1)	573.25	359.42
Less: Provision for doubtful other receivables (refer Note 17.1)	153.25	27.27
	1,943.33	7,938.81

17.1. Includes an amount of ` 91.58 Crore (2019-20 : ` NIL) on which a provision of ` 91.58 Crore (2019-20 : Nil) made (refer Note 61).

18. Other Current Assets

(` / Crore)

	31.03.2021	31.03.2020
Advance recoverable other than cash	56.53	34.20
Balances with Excise, Customs etc.	45.49	33.03
Deposits	-	5.81
Prepaid employee cost	15.08	15.56
Prepaid Lease Rental	20.43	10.96
Other Prepaid Expenses	242.99	292.92
Gold Coins in Hand	-	7.40
Other Current Assets	46.33	16.00
	426.85	415.88

19. Equity Share capital

(` / Crore)

	31.03.2021	31.03.2020
A. Authorised:		
2,49,92,50,000 (31.03.2020 : 2,49,92,50,000) Equity Shares of ` 10/- each	2,499.25	2,499.25
75,000 (31.03.2020: 75,000) Cumulative Redeemable Preference Shares of ` 100/- each	0.75	0.75
	2,500.00	2,500.00
B. Issued & Subscribed:		
1,45,27,23,884 (31.03.2020 : 1,52,45,25,375) Equity Shares of ` 10/- each	1,452.72	1,524.53
C. Fully Paid up:		
1,45,20,21,134 (31.03.2020 : 1,52,38,22,625) Equity Shares of ` 10/- each	1,452.02	1,523.82
D. Shares Forfeited:		
7,02,750 (31.03.2020 : 7,02,750) Shares Forfeited (money received)	0.39	0.39
	1,452.41	1,524.21

(` / Crore)

	31.03.2021	31.03.2020
E. Reconciliation of number of equity shares:		
Outstanding at the beginning of the year	1,523,822,625	1,523,822,625
Equity shares extinguished including pending extinguishment as on 31.03.2021 bought under shares buy-back program (refer Note 19 H (ii))	71,801,491	-
Outstanding at the end of the year	1,452,021,134	1,523,822,625

F. Rights and Restrictions on Equity / Preference Shares:

The Company has only one class of Equity Shares having a face value of ` 10/- per share which are issued and subscribed. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of the winding up of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by the shareholders and the amount paid up thereon. The Company also has 75,000 6% cumulative Redeemable Non-convertible Preference Shares of ` 100 /- each as a part of the Authorised Capital, which were issued earlier by the erstwhile ESSO Standard Refining Co. of India Ltd. (ESRC). Presently the said Preference Shares stand redeemed.

G. Details of shares held by each shareholder, holding more than 5% shares in the Company:

	31.03.2021	
Name of shareholders	% Holding*	No. of Shares
Oil and Natural Gas Corporation Limited	53.64	778,845,375

	31.03.2020	
Name of shareholders	% Holding*	No. of Shares
Oil and Natural Gas Corporation Limited	51.11	778,845,375

* Calculated considering both shares extinguished and pending extinguishment (refer Note 19 H (ii)).

H. In the period of five years immediately preceding 31st March, 2021:

- The Company had issued Bonus Shares during Financial Years 2017-18 and 2016-17 in the ratio of 1:2 and 2:1 respectively by capitalization of Reserves. The total number of Bonus Shares issued during Financial Years 2017-18 and 2016-17 are 50,79,40,875 and 67,72,54,500 equity shares respectively, having face value of ` 10 each.
- The Board, at its meeting held on 04.11.2020 approved the buyback of fully paid-up equity shares of the face value of ` 10/- from the open market through stock exchange mechanism for an aggregate amount not exceeding ` 2,500 Crore ("Maximum Buyback Size") and at a price not exceeding ` 250 per Equity Share, payable in cash. This do not include any transaction costs such as brokerage, fees, turnover charges, taxes such as buyback tax and securities transaction tax, stamp duty, advisor fees, filing fees etc. Pursuant to relevant SEBI regulations, a public announcement was made on 06.11.2020, buy-back opened on 17.11.2020 and it closed on 14.05.2021. As on 31.03.2021, equity shares numbering 7,18,01,491, representing 4.71% of paid up Share Capital (prior to commencement of buy-back), having a face value of ` 71,80,14,910/- have been bought back. Of this, in line with SEBI Regulations, 6,79,77,038 shares have been extinguished as on reporting date and the rest of it on 20.04.2021. The effect of subsequent extinguishment, being adjusting event, under Ind-AS, has been duly recognized as on 31.03.2021 itself.



20. Other Equity

		(₹ / Crore)	
		31.03.2021	31.03.2020
Debenture Redemption Reserve	(i)	625.00	625.00
Foreign Currency Monetary Item Translation Difference Account	(ii)	-	-
General Reserve	(iii)	-	1,777.65
Retained Earnings	(iv)	34,271.39	25,394.07
Equity Instruments through Other Comprehensive Income	(v)	(233.64)	(340.53)
Cash Flow Hedge Reserve	(vi)	(0.85)	(18.04)
Capital Redemption Reserve	(vii)	71.80	-
		34,733.70	27,438.15
(i) Debenture Redemption Reserve			
As per last Balance Sheet		625.00	-
Add: Transfer from Retained Earnings (refer Note 20.1)		-	625.00
		625.00	625.00
20.1. The reserve is created on Non-Convertible Debentures (totalling to ₹ 2,500 Crore) issued till 15 th August 2019 under Companies Act, 2013.			
(ii) Foreign Currency Monetary Item Translation Difference Account			
As per last Balance Sheet		-	(2.91)
Add : Additions during the year		-	(0.79)
Less : Amortised during the year		-	(3.70)
		-	-
20.2. Represents exchange rate variation on loan taken for acquisition of non-depreciable assets, amortized over loan period.			
(iii) General Reserve			
As per last Balance Sheet		1,777.65	1,777.65
Less: Utilisation for Shares Buy-back		1,705.85	-
Less: Transfer to Capital Redemption Reserve		71.80	-
		-	1,777.65
(iv) Retained Earnings			
As per last Balance Sheet		25,394.07	24,941.79
Add : Profit/(Loss) for the year		10,663.88	2,637.26
Add : Reversal of Tax Expense on exercising option under section 115BAA of Income-tax Act, 1961 (refer Note 44)		-	324.89
Less : Transfer to Debenture Redemption Reserve		-	625.00
Less : Utilisation for Shares Buy-back		208.61	-
Less : Profit appropriated to Interim / Final Dividend		1,485.72	1,432.39
Less : Profit appropriated to Tax on Distributed Profits		-	294.43
Less : Remeasurment (Gain)/Loss on Defined Benefit Plans		92.23	158.05
		34,271.39	25,394.07

(` / Crore)

	31.03.2021	31.03.2020
(v) Equity Instruments through Other Comprehensive Income		
As per last Balance Sheet	(340.53)	(65.92)
Add : Additions during the year	106.89	(274.61)
	(233.64)	(340.53)
(vi) Cash Flow Hedge Reserve		
As per last Balance Sheet	(18.04)	-
Add : Effective Portion of Gains/(loss) in a Cash Flow Hedge	(0.85)	(18.04)
Less : Reclassification to Statement of Profit and Loss	(18.04)	-
	(0.85)	(18.04)
(vii) Capital Redemption Reserve		
As per last Balance Sheet	-	-
Add : Transfer from General Reserve	71.80	-
	71.80	-
	34,733.70	27,438.15

21. Borrowings

(` / Crore)

	31.03.2021	31.03.2020
Bonds and Debentures (refer note 21.1)		
Un - secured		
Foreign Currency Bonds	3,646.17	3,771.95
8.00% Non-Convertible Debentures	499.81	499.75
7.00% Non-Convertible Debentures	1,999.81	1,999.76
6.80% Non-Convertible Debentures	2,999.85	2,999.77
6.38% Non-Convertible Debentures	599.83	599.75
7.03% Non-Convertible Debentures	1,399.76	1,399.76
5.36% Non-Convertible Debentures	1,199.92	-
4.79% Non-Convertible Debentures	1,999.89	-
Term loans		
Secured		
Oil Industry Development Board (refer note 21.2)	2,850.00	2,931.19
Un - secured		
Syndicated Loans from Foreign Banks (repayable in foreign currency) (refer note 21.3)	7,994.50	10,180.01
Others		
Un - secured		
Lease Liabilities (under Ind AS 116)	2,906.95	2,493.11
	28,096.49	26,875.05
Less: Current maturities of Long Term Borrowings	725.00	4,331.26
Less: Current maturities of Lease Liabilities	301.77	256.62
	27,069.72	22,287.17

**21.1. Bonds and Debentures**

Particulars of Bond/Debenture	Coupon Rate of Interest	Date of Maturity/Redemption
7.03% Non-Convertible Debentures	7.03% p.a. payable Annually	12 th April 2030
USD 500 million bonds	4.00% p.a. payable Half Yearly	12 th July 2027
5.36% Non-Convertible Debentures	5.36% p.a. payable Annually	11 th April 2025
7.00% Non-Convertible Debentures	7.00% p.a. payable Annually	14 th August 2024
8.00% Non-Convertible Debentures	8.00% p.a. payable Annually	25 th April 2024
4.79% Non-Convertible Debentures	4.79% p.a. payable Annually	23 rd October 2023
6.38% Non-Convertible Debentures	6.38% p.a. payable Annually	12 th April 2023
6.80% Non-Convertible Debentures	6.80% p.a. payable Annually	15 th December 2022

21.2. Term Loans from Oil Industry Development Board

Repayable during	in Crore		Range of Interest Rate as on	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
2020-21	-	181.19	-	7.72%-8.28%
2021-22	725.00	725.00	6.53%-8.28%	6.53%-8.28%
2022-23	750.00	725.00	5.68%-8.28%	6.53%-8.28%
2023-24	750.00	725.00	5.68%-8.28%	6.53%-8.28%
2024-25	600.00	575.00	5.68%-7.96%	6.53%-7.96%
2025-26	25.00	-	5.68%-5.68%	-
Total	2,850.00	2,931.19		

The loan has been secured with first charge on the facilities of Vishakh Refinery Modernisation Project, Mumbai Refinery Expansion Project, Awa Salawas Pipeline, Manglore Hassan Mysore LPG Pipeline, Uran-Chakan / Shikarpur LPG Pipeline & Rewari Mathura Kanpur Pipeline for a value of ₹ 17,437.87 Crore (31.03.2020: ₹ 15,815.87 Crore). Of the loan amount ₹ 725.00 Crore (31.03.2020: ₹ 181.19 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26.

21.3. Syndicated Loans from foreign Banks (repayable in foreign currency)

The Corporation has availed Syndicated Loans from foreign Banks at fixed rate and/or 3 months floating LIBOR plus spread (spread range: 100 to 155 basis point p.a.). These loans are taken for the period up to 5 years. Of the loan amount ₹ Nil (31.03.2020: ₹ 4,150.07 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26.

22. Other Financial Liabilities

	(₹ / Crore)	
	31.03.2021	31.03.2020
Other Liabilities	0.89	0.70
	0.89	0.70

23. Provisions

	(₹ / Crore)	
	31.03.2021	31.03.2020
Provision for employee benefits	51.66	50.20
	51.66	50.20

24. Other Non-Current Liabilities

	(` / Crore)	
	31.03.2021	31.03.2020
Capital Grant	0.74	1.01
Other liabilities	369.30	210.47
	370.04	211.48

25. Borrowings

	(` / Crore)	
	31.03.2021	31.03.2020
Loans repayable on demand		
Secured		
from banks		
Cash Credit (Secured by hypothecation of Inventories in favour of Banks on pari passu basis)	2,460.75	3,001.57
from other parties		
Triparty Repo Dealing System Loan (refer note 25.1)	1,449.62	1,399.94
Un - Secured		
from banks		
Clean Loans	4,800.31	3,056.02
Short term loans	2,120.57	6,246.11
from other parties		
Commercial papers	3,988.12	2,442.16
	14,819.37	16,145.80

25.1. Bonds valuing ` 1,476 Crore (31.03.2020: ` 1,476 Crore) comprising 7.59% G - Sec Bonds of ` 185 Crore (31.03.2020: ` 185 Crore), 7.72% G - Sec Bonds of ` 836 Crore (31.03.2020: ` 836 Crore), 8.33% G - Sec Bonds of ` 180 Crore (31.03.2020: ` 180 Crore) and 8.15% G - Sec Bonds of ` 275 Crore (31.03.2020: ` 275 Crore), have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.

26. Other Financial Liabilities

	(` / Crore)	
	31.03.2021	31.03.2020
Current maturities of Long Term Borrowings (refer Note 26.1)	725.00	4,331.26
Current maturities of Lease Liabilities	301.77	256.62
Interest accrued but not due on loans	321.77	249.91
Unpaid Dividend (refer Note 26.2)	19.01	17.70
Derivative liability	1.84	79.51
Deposits from Dealers /Consumers/Suppliers (refer Note 26.3)	16,130.95	15,436.10
Liability towards Capital Expenditures:		
Outstanding dues of micro enterprises and small enterprises (refer note 51)	492.08	339.55
Outstanding dues of creditor other than micro and small enterprises	1,480.44	1,643.81
Other Financial Deposits	10.33	10.77
Other liabilities	858.78	973.51
	20,341.97	23,338.74



26.1. Includes loans repayable within one year: Syndicated Loans from Foreign Banks (repayable in foreign currency) ` Nil Crore (31.03.2020: ` 4,150.07 Crore); Loan from Oil Industry and Development Board ` 725.00 Crore (31.03.2020 : ` 181.19 Crore).

26.2. Dues as at the end of the year for credit to Investors' Education and Protection Fund is ` NIL (31.03.2020: NIL).

26.3. Includes deposits received towards Rajiv Gandhi Gramin LPG Vitruk Yojana ` 241.89 Crore (31.03.2020: ` 241.89 Crore) and Prime Minister Ujjawala Yojana of ` 3,015.69 Crore (31.03.2020: ` 3,020.91 Crore). These deposits have been either made by Government of India or created out of CSR fund.

27. Other Current Liabilities

	(` / Crore)	
	31.03.2021	31.03.2020
Revenue received in Advance	1,044.75	1,046.95
Capital Grant	0.23	0.91
Statutory Payables	4,539.39	1,705.95
Other Liabilities	110.09	158.35
	5,694.46	2,912.16

28. Provisions

	(` / Crore)	
	31.03.2021	31.03.2020
Provision for Employee Benefits	1,722.42	1,903.31
Provisions for probable obligations (refer Note 53)	1,422.46	1,045.13
	3,144.88	2,948.44

29. Current Tax Liabilities (Net)

	(` / Crore)	
	31.03.2021	31.03.2020
Provision for tax (net of advance tax) (refer Note 44)	351.72	366.97
	351.72	366.97

30. Gross Sale of Products

	(` / Crore)	
	2020-21	2019-20
Sale of Products	269,221.36	285,904.90
Recovery under Subsidy Schemes	21.50	345.37
	269,242.86	286,250.27

30.1. Net of discount of ` 2,199.63 Crore (2019-20: ` 2,348.47 Crore).

30.2. Includes Subsidy on PDS Kerosene from State Governments amounting to ` 31.30 Crore (2019-20: ` 63.95 Crore).

30.3. Includes Budgetary Support amounting to ` -9.80 Crore (2019-20: ` 281.41 Crore) under 'Recovery under Subsidy Schemes' towards under-recovery on sale of PDS SKO.

30.4. Disaggregation of revenue as required under Ind AS 115:

	(` / Crore)	
	2020-21	2019-20
Exports	3,054.58	6,203.38
Other than export	266,188.28	280,046.89
	269,242.86	286,250.27

31. Other Operating Revenues

	(` / Crore)	
	2020-21	2019-20
Rent Recoveries	756.97	827.02
Net Recovery for LPG Filling Charges	1.63	0.63
Miscellaneous Operating Income	324.86	339.01
	1,083.46	1,166.66

32. Other Income

	(` / Crore)	
	2020-21	2019-20
Interest Income on Financial Assets carried at amortized cost:		
On Deposits	13.18	0.40
On Staff Loans	38.12	41.72
On Customers' Accounts	292.58	272.62
Interest On Current Investments carried at fair value through Profit or Loss	379.94	366.30
Interest on Others Financial Assets carried at amortized cost	380.29	312.44
	1,104.11	993.48
Dividend Income from Joint Venture/Associate Companies	301.31	154.83
Dividend Income from non-current equity instruments at FVOCI	13.64	28.76
Fair value gain on Derivative instruments carried at FVTPL	15.08	-
Gain on foreign currency transition and translation	1,010.86	-
Fair value gain on Current Investments carried at FVTPL	72.90	262.66
Profit on Sale of Current Investment	-	0.55
Profit on Sale/write off of Property Plant & Equipments/Capital Work in Progress/Assets classified as held for Sale/Disposal (net)	-	18.01
Share of Profit from Petroleum India International (AOP)	-	0.34
Miscellaneous Income	270.83	379.54
	1,684.62	844.69
	2,788.73	1,838.17

33. Cost of Materials Consumed

	(` / Crore)	
	2020-21	2019-20
Cost of Raw Materials Consumed	40,789.15	59,430.19
Packages Consumed	312.81	320.50
	41,101.96	59,750.69



34. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress (Increase)/ Decrease

	(` / Crore)	
	2020-21	2019-20
(A) Closing Stock:		
Work-in-progress	1,020.53	914.72
Finished Goods	8,660.01	5,994.32
Stock-in-trade	14,517.01	8,755.55
	24,197.55	15,664.59
(B) Opening Stock:		
Work-in-Progress	914.72	775.86
Finished Goods	5,994.32	6,760.31
Stock-in-Trade	8,755.55	8,712.86
	15,664.59	16,249.03
(C) Write down of inventories considered under Exceptional Items (refer Note 62)	-	1,002.93
(B-A-C)	(8,532.96)	(418.49)

35. Employee Benefits Expense

	(` / Crore)	
	2020-21	2019-20
Salaries, Wages, Bonus, etc.	2,449.35	2,258.15
Contribution to Provident Fund (refer Note 69)	174.62	329.90
Pension, Gratuity and Other Employee Benefits	220.41	266.04
Employee Welfare Expenses	344.00	339.37
	3,188.38	3,193.46

36. Finance costs

	(` / Crore)	
	2020-21	2019-20
Interest (refer Note 36.1)	892.88	717.19
Exchange differences regarded as an adjustment to borrowing costs	7.38	345.32
Other borrowing costs	14.47	19.21
	914.73	1,081.72

36.1. Includes interest u/s 234B / 234C of Income Tax Act, 1961 for an amount ` 57.03 Crore (2019-20 : ` NIL).

37. Other Expenses

(₹ / Crore)

	2020-21	2019-20
Transportation Expenses	6,401.44	6,139.80
Consumption of Stores, Spares and Chemicals	244.97	285.75
Power and Fuel	2,267.06	2,714.75
Less : Consumption of fuel out of own production	1,863.78	2,223.37
Power and fuel consumed (net)	403.28	491.38
Repairs and Maintenance - Buildings	40.75	59.73
Repairs and Maintenance - Plant and Machinery	1,087.38	1,183.88
Repairs and Maintenance - Other Assets	397.10	486.80
Insurance	130.32	74.31
Rates and Taxes	223.34	92.70
Irrecoverable Taxes and Other Levies	584.74	416.38
Equipment Hire Charges	1.85	2.32
Rent	272.08	289.60
Travelling and Conveyance	140.98	235.72
Printing and Stationery	15.13	19.52
Electricity and Water	821.76	831.11
Corporate Social Responsibility (CSR) Expenses	129.97	182.24
Stores and spares written off	1.11	2.42
Impairment in value of Non - Current Investments	50.00	229.73
Provision for Doubtful Receivables/Loans	559.08	205.43
Provision for Doubtful Debts (After adjusting provision no longer required written back ₹ 1.36 Crore, 2019-20: ₹ NIL)	140.21	12.78
Loss on Sale/ write off of Property Plant & Equipments/Capital Work In Progress / Assets classified as held for Sale/Disposal (net)	51.30	-
Bad Debts written off	0.41	0.21
Security Charges	280.68	280.57
Advertisement and Publicity	127.15	155.59
Sundry Expenses and Charges (Not otherwise classified) (refer Note 59)	1,275.85	1,187.95
Consultancy and Technical Services	76.48	67.18
Loss on Foreign Currency Transaction and Translation (net)	-	873.50
Fair value Loss on Derivative instruments carried at FVTPL (net)	-	44.75
Exploration cost	0.42	30.75
Payments to the auditors for:		
- Audit Fees	0.70	0.72
- Other Services	0.38	0.39
- Reimbursement of expenses	0.03	0.14
	13,458.89	13,883.35



38. Fair Value Measurements

38.A. Classification of Financial Assets and Financial Liabilities:

The following table shows the carrying amounts of Financial Assets and Financial Liabilities which are classified as Fair value through Profit or Loss (FVTPL), Fair Value through Other Comprehensive Income (FVTOCI) and Amortized Cost:

	31.03.2021			31.03.2020		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
- Investment in Equity Instruments	0.00	328.14	-	0.00	221.25	-
- Investment in Preference Shares	13.82	-	-	8.68	-	-
- Investment in Debt Instruments	5,417.58	-	-	5,344.86	-	-
- Others	-	-	-	-	-	-
Loans						
- Employee Loans	-	-	420.77	-	-	391.48
- Other Loans	-	-	837.79	-	-	1,432.26
Trade receivables	-	-	6,856.31	-	-	3,922.72
Cash and cash equivalents	-	-	155.29	-	-	95.04
Other Bank Balances	-	-	81.91	-	-	18.11
Derivative Assets	5.20	-	-	16.04	-	-
Amounts recoverable under subsidy schemes	-	-	17.26	-	-	432.63
Others	-	-	1,939.67	-	-	7,496.43
Total	5,436.60	328.14	10,309.00	5,369.58	221.25	13,788.67
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	-	3,646.17	-	-	3,771.95
- Non Convertible Debentures	-	-	10,698.87	-	-	7,498.79
- Oil Industry Development Board	-	-	2,850.00	-	-	2,931.19
- Syndicated Loans from Foreign Banks	-	-	7,994.50	-	-	10,180.01
- Cash Credit	-	-	2,460.75	-	-	3,001.57
- Short term loans from banks	-	-	2,120.57	-	-	6,246.11
- Clean Loans	-	-	4,800.31	-	-	3,056.02
- Triparty Repo Dealing System Loan	-	-	1,449.62	-	-	1,399.94
- Commercial papers	-	-	3,988.12	-	-	2,442.16
Lease Liabilities	-	-	2,906.95	-	-	2,493.11
Trade Payables	-	-	17,697.27	-	-	11,298.97
Deposits from Consumers	-	-	16,130.95	-	-	15,436.10
Derivative liabilities	1.84	-	-	79.51	-	-
Others	-	-	3,183.30	-	-	3,235.95
Total	1.84	-	79,927.38	79.51	-	72,991.87

38.B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of the Financial Assets and Financial Liabilities that are recognised and measured at fair value and amortised cost. To provide an indication about the reliability of the inputs used in determining fair value, Corporation has classified its Financial Assets and Financial Liabilities into the three levels prescribed under the accounting standard. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. An explanation of each level is provided under Significant Accounting Policies.

(` / Crore)

	31.03.2021			31.03.2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investments						
- Investment in Equity Instruments	328.14	-	-	221.25	-	-
- Investment in Debt Instruments	5,417.58	-	-	5,344.86	-	-
- Others	-	-	-	-	-	-
Loans						
- Employee Loans	-	420.77	-	-	391.48	-
- Other Loans	-	1,080.85	-	-	1,437.94	-
Derivative Assets	-	5.20	-	-	16.04	-
Total	5,745.72	1,506.82	-	5,566.11	1,845.46	-
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	3,883.37	-	-	3,435.78	-
- Non Convertible Debentures	-	11,033.26	-	-	7,640.55	-
- Oil Industry Development Board Loan	-	2,942.15	-	-	3,011.98	-
Derivative Liabilities	-	1.84	-	-	79.51	-
Total	-	17,860.62	-	-	14,167.82	-

38.C. Valuation techniques used to determine Fair Value

Type	Valuation technique
Derivative instruments - forward exchange contracts	Discounted cash flow i.e. fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract.
Derivative instruments - Commodity derivatives	Fair value of commodity derivative contracts is estimated by determining the difference between the contractual price and the current forward price for the residual maturity of the contract.
Derivative instruments - interest rate swap	Discounted cash flows i.e. Present value of expected receipt/payment.
Non-current financial assets and liabilities measured at amortised cost	Discounted cash flows. The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates.

**39. Financial risk management****39.A. Risk management framework**

The Corporation has established an Enterprise Risk Management (ERM) framework under the Corporation's Risk Management Charter and Policy 2007, which is embedded at the forefront of business strategies and focuses on the stronger, deeper and trust-based relationship with the stakeholders. It provides necessary support to the business to steer through the continuously evolving risk terrain through dynamic risk management approach that embraces disruption and enhances resiliency and trust.

The outbreak of the Coronavirus Disease (COVID-19) has stricken communities across the globe. The virus' rapid geographical spread has caught the world off-guard, with major implications for personal health, business continuity and the world economic order. The Corporation had immediately reviewed the Risks arising out of the COVID-19 and suitably included the new risks as well as amended the existing Risks for suitably mitigating same.

The Risk Management Steering Committee (RMSC) receives regular insights on risk exposures faced by the Corporation, thereby enabling it to provide inputs on prompt actions to be taken as well as monitor the actions taken. The Board is also updated regularly on the risk assessment and mitigation procedures.

Technology has been enabled to support the Enterprise Risk Management processes with a focus on optimizing risk exposures and automating risk reporting across the organization.

39.B. Corporation has identified financial risk and categorised them in three parts Viz. (i) Credit Risk, (ii) Liquidity Risk & (iii) Market Risk. Details regarding sources of risk in each such category and how Corporation manages the risk is explained in following notes:

39.B.1. Credit risk:

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet their contractual obligations. The risk arises principally from the Company's Receivables from Customers and so also from Investment Securities. The risk is managed through credit approval, establishing credit limits and continuous monitoring of the creditworthiness of Customers to whom the Corporation extends credit terms in the normal course of business.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Note: Refer Note 59 regarding loans given to consumers under Pradhan Mantri Ujjwala Yojna (PMUY).

Trade receivables:

The Corporation's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The Corporation assesses impairment of Trade Receivable/Other Receivables both individually &/or grouping large numbers of Customers, homogeneously and recognizes a loss allowance towards doubtful debts by estimating its expected losses. In this regard, an allowance matrix is used to measure the expected credit losses on trade receivables that are considered good. The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) on such trade receivables:

(' / Crore)

Past due	31.03.2021			31.03.2020		
	Gross carrying amount	Weighed average loss rate	Loss allowance	Gross carrying amount	Weighed average loss rate	Loss allowance
0-90 days	6,336.66	0.05%	3.29	3,599.85	0.03%	1.25
91-360 days	352.21	1.73%	6.10	292.03	1.17%	3.42
More than 360 days	487.58	63.73%	310.75	210.76	83.15%	175.25
	7,176.45		320.14	4,102.64		179.92

The movement in loss allowance on trade receivables is as follows:

	(` / Crore)
Balance as on 01.04.2019	167.14
Add : Loss allowance recognised	12.99
Less : Amounts written off	0.21
Balance as on 31.03.2020	179.92
Add : Loss allowance recognised	140.59
Less : Amounts written off	0.37
Balance as on 31.03.2021	320.14

The amounts written off relate to customers who have defaulted payments and are not expected to pay their outstanding balances, mainly due to economic circumstances.

Cash and Cash Equivalents:

The Corporation held cash and cash equivalents of ` 155.29 Crore as on 31.03.2021 (31.03.2020 : ` 95.04 Crore). The cash and cash equivalents (other than cash on hand) are held with scheduled banks. The Corporation invests its surplus funds for short duration in fixed deposit with banks, Govt of India T-bills and liquid Schemes of Mutual Funds, all of which carry no mark to market risks as the Corporation is exposed only to low credit risk.

Derivatives:

The forex and interest rate derivatives are entered into with banks having an investment grade rating. Commodity derivatives are entered with reputed Counterparties in the OTC (Over-the-Counter) Market. The exposure to counter-parties are closely monitored and kept within the approved limits.

Investment in Debt Securities:

Investment are made in government securities or bonds which do not carry any credit risk, being sovereign in nature.

39.B.2. Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due. Corporation has a strong focus on effective management of its liquidity to ensure that all business and financial commitments are met on time. The Corporation has adequate borrowing limits in place duly approved by its Shareholders and Board. Corporation's sources of liquidity includes operating cash flows, cash and cash equivalents, fund and non-fund based lines from banks and liquid investment portfolio. Corporation ensures that there is minimal concentration risk by diversifying its portfolio across instruments and counterparties. Cash and fund flow management is monitored daily in order to have smooth and continuous business operations.

(i) Financing arrangements

The Corporation has an adequate fund and non-fund based lines from various banks. The Corporation has sufficient borrowing limits in place duly approved by its Shareholders and Board. Domestic and international credit rating from reputed credit rating agencies enables access of funds both from domestic as well as international market. Corporation's diversified source of funds and strong operating cash flow enables it to maintain requisite capital structure discipline. Corporation diversifies its capital structure with a mix of instruments and financing products across varying maturities and currencies. The financing products include syndicated loans, foreign currency bonds, TREPS loan, commercial paper, non-convertible debentures, buyer's credit loan, clean loan etc. Corporation taps domestic as well as foreign debt markets from time to time to ensure appropriate funding mix and diversification of geographies.



(ii) **Maturities of financial liabilities**

The amounts disclosed in the table below are the contractual undiscounted cash flow:

(` / Crore)

	Contractual cash flows					
	31.03.2021			31.03.2020		
	Upto 1 year	1-3 years	more than 3 years	Upto 1 year	1-3 years	more than 3 years
Non-derivative financial liabilities						
Borrowings and interest thereon	16,665.66	12,596.12	15,246.58	21,646.77	6,417.08	17,639.15
Trade payables	17,697.27	-	-	11,298.97	-	-
Other financial liabilities	3,182.41	-	16,131.84	3,235.25	-	15,436.80
Financial guarantee contracts *	-	588.58	-	-	-	609.10
Total	37,545.34	13,184.70	31,378.42	36,180.99	6,417.08	33,685.05
Derivative financial liabilities / (Assets)						
Interest rate swaps	-	-	-	(4.35)	-	-
Commodity contracts (net settled)	3.36	-	-	60.44	-	-
Forward exchange contracts (Gross settled)						
- Inflows	-	-	-	-	-	-
- Outflows	-	-	-	-	-	-
Total	3.36	-	-	56.09	-	-

* Outstanding loan of one of the step down subsidiary, guaranteed by the Corporation by way of providing 'Corporate Guarantee', payable in the event of default by the step down subsidiary on its repayment obligation. As of the Reporting date, there has been no default by the step down subsidiary and hence the Corporation does not have any present obligation in relation to such guarantee.

39.B.3. **Market Risk - Market Risk is further categorised in (i) Currency risk , (ii) Interest rate risk & (iii) Commodity risk:**

39.B.3.1. **Currency risk:**

The Corporation is exposed to currency risk, primarily on account of its repayment obligations of loans taken in foreign currency and imports, to be paid in foreign currency. The exposure is mainly denominated in U.S.Dollar. The Corporation has a Forex Risk Management Cell (FRMC) which actively review the forex and interest rate exposures. The Corporation uses generic derivative contracts to mitigate the risk of changes in foreign currency exchange rates in line with Corporation's forex risk management policy. The Corporation does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk - The currency profile of financial assets and financial liabilities is as below:

(` / Crore)

	31.03.2021		31.03.2020	
	INR	Exposure in USD (INR terms)	INR	Exposure in USD (INR terms)
Financial assets				
Non-current investments	341.96	-	229.93	-
Current investments	5,417.58	-	5,344.86	-
Long-term loans	1,133.93	-	1,415.90	-
Short-term loans	124.63	-	407.84	-
Trade receivables	6,321.02	535.29	3,748.44	174.28
Cash and Cash Equivalents	155.29	-	95.04	-
Other Bank Balances	81.91	-	18.11	-
Others Non Current Financial Assets	18.80	-	6.29	-
Others Current Financial Assets	1,938.13	5.20	7,922.77	16.04
Exposure for assets - A	15,533.25	540.49	19,189.18	190.32
Financial liabilities				
Long term borrowings & Lease Liabilities	16,455.82	11,640.67	12,923.09	13,951.96
Short term borrowings	12,698.80	2,120.57	9,899.69	6,246.11
Trade Payables	12,072.71	5,624.56	7,158.17	4,140.80
Other Financial Liabilities	19,305.33	10.76	18,655.29	96.27
	60,532.66	19,396.56	48,636.24	24,435.14
Less: Foreign currency forward exchange contracts	-	-	-	-
Exposure for liabilities - B	60,532.66	19,396.56	48,636.24	24,435.14
Net exposure (Assets - Liabilities)(A - B)	(44,999.41)	(18856.07)	(29447.06)	(24,244.82)

The following exchange rates have been applied during the year:

INR	31.03.2021	31.03.2020
USD 1	73.12	75.67

Sensitivity analysis:

The table below shows sensitivity of open forex exposure of the Corporation to USD/INR currency movement. The impact of exposure to a currency movement in the range of 1% (+ /-) change, increase denoting appreciation in USD Vs. INR & vice versa is explained through the said Table. The indicative 1% movement is directional and does not reflect management's forecast on currency movement.

Effect in INR	Impact on profit or (loss) due to % increase / Decrease in currency (` /Crore)			
	Increase	Decrease	Increase	Decrease
	31.03.2021		31.03.2020	
1% movement	1%		1%	
USD	(188.56)	188.56	(242.45)	242.45

**39.B.3.2. Interest rate risk**

The Corporation has long-term foreign currency syndicated loans with floating rate of interest, which exposes the Corporation to cash flow interest rate risk. The borrowings at floating rate are denominated in USD. The Corporation manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under this, the Corporation agrees with other Parties to exchange at specified intervals (i.e. quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. The Corporation monitors the interest rate movement and manages the interest rate risk, based on the Corporation's Forex Risk Management Policy. The Corporation also has a Forex Risk Management Cell (FRMC) that actively reviews the forex and interest rate exposures. The Corporation does not use derivative financial instruments for trading or speculative purposes.

The Corporation's borrowings, contracted at fixed rate are carried at amortised cost. These are not impacted to interest rate risk as defined in Ind AS 107 as neither the carrying amount nor the future cash flows will fluctuate in the event of a change in market interest rates.

The derivative financial instrument used in hedging the interest rate risk is as under:

(` / Crore)					
Category	Instrument	Currency	Cross Currency	31.03.2021	31.03.2020
Hedges of floating rate foreign currency loans(\$ 0 mn (31.03.2020: \$ 250 mn)	Interest rate swaps	USD	INR	-	1,891.63

Interest rate risk exposure:

The Corporation's interest rate risk arises mainly from borrowings. The profile of the Corporation's interest-bearing financial instruments at period end is as follows:

(` / Crore)		
Carrying amount		
	31.03.2021	31.03.2020
Fixed-rate instruments		
Financial assets	5,523.30	5,425.68
Financial liabilities	29,893.84	24,101.62
Variable-rate instruments		
Financial assets	2,023.59	2,656.78
Financial liabilities	10,115.07	16,426.12

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25 basis points in interest rates at Reporting Date would have impacted profit or loss [increased / (decreased)] by the amounts shown below. The indicative 25 basis point (0.25%) movement is directional and does not reflect management forecast on interest rate movement. This analysis assumes that all other variables, in particular, foreign currency exchange rate remaining constant.

	Impact on Profit or (loss) (In ` Crore)			
	25 bp increase	25 bp decrease	25 bp increase	25 bp decrease
	31.03.2021		31.03.2020	
Floating rate borrowings	(16.81)	16.81	(28.25)	28.25
Interest rate swaps (notional principal amount)	-	-	4.14	(4.14)
Cash flow sensitivity (net)	(16.81)	16.81	(24.11)	24.11

39.B.3.3. Commodity Risk

The Corporation's Profitability is exposed to the risk of fluctuation in prices of Crude Oil and Petroleum products in international markets. The Corporation monitors and reduces the impact of the volatility in International Oil prices based on approved Oil Price Risk Management Policy by entering into derivative contracts in the OTC market. The Corporation also has Oil Price Risk Management Committee (OPRMC) which actively reviews and monitors risk management principles, policies and risk management activities.

Category-wise quantitative break-up of Commodity derivative contracts entered into by the Corporation which are Outstanding as at Balance Sheet date is given below:

	Quantity (in million Barrels)	
	31.03.2021	31.03.2020
Crude/Product Swaps	1.11	4.23

The sensitivity to a reasonable possible change of 10% in the price of crude/product swaps on the outstanding Commodity derivative/paper contracts as on Balance Sheet date would increase/decrease the profit or loss by amounts shown below. This 10% movement is directional and does not reflect any forecast of price movement.

	Effect on Profit before Tax (In ` Crore)			
	10% Increase	10% Decrease	10% Increase	10% Decrease
	31.03.2021		31.03.2020	
Crude/Product Swaps	(14.01)	11.56	2.80	(2.80)

Derivatives & Hedging

The Corporation enters into derivative contracts for hedging purpose, to mitigate the commodity price risk, on Highly probable forecast transactions as detailed above. The Corporation has applied Hedge Accounting on commodity derivative transactions entered subsequent to 01 January 2020 as per Ind AS 109 (Financial Instruments). Consequent to this a Mark to Market Debit amounting to ` 1.14 Crore (2019-20: ` 24.11 Crore) has been accounted in Other Comprehensive Income which will be recycled to Statement of Profit and Loss in subsequent period on settlement of respective contracts.

All these hedges are accounted for as Cash Flow Hedges.

Hedge Effectiveness:

The Corporation has established a hedge ratio of 1:1 for the hedging relationship as the underlying risk of the commodity forward contracts are identical to the hedged risk component. Hedge item and the hedging instruments have economic relationship as the terms of the commodity forward contracts match with the terms of hedge items. Considering the economic relationship and characteristics of the hedging instrument being aligned to the hedged item, the fair value changes in the hedging instrument reasonably approximates the fair value changes in the hedged item (in absolute amounts).

Source of Hedge Effectiveness:

The Corporation has identified the following sources of hedge ineffectiveness which are not expected to be material as at date:

- Counterparty Credit Risk impacting the fair value of the hedge instrument and hedge item.
- Difference in the timing of the cash flows of the hedged items and the hedge instruments
- Different indexes used to hedge risk of the hedged item.
- Changes to forecasted amounts of cash flows of hedged items and hedging instruments.



Disclosures of effects of Cash Flow Hedge Accounting:

The Corporation has applied Hedge Accounting prospectively for the highly probable forecast transactions as stated above, entered after 01 January 2020. Consequently, disclosure is made only for the transactions designated for Hedge Accounting.

The Corporation is holding the following derivative contracts:

(` / Crore)

As at March 31, 2021	Maturities					Total
	Less than 1 Month	1-3 Months	3-6 Months	6-12 Months	More than 12 Months	
Commodity Forward Contracts						
Nominal Volume (Quantity in Mn Barrels)	-	0.50	0.30	-	-	0.80
Nominal amount (` / Crore)	-	97.26	18.30	-	-	115.55

(` / Crore)

As at March 31, 2020	Maturities					Total
	Less than 1 Month	1-3 Months	3-6 Months	6-12 Months	More than 12 Months	
Commodity Forward Contracts						
Nominal Volume (Quantity in Mn Barrels)	-	0.45	0.38	0.15	-	0.98
Nominal amount (` / Crore)	-	24.06	15.85	10.47	-	50.38

The Impact of Hedging Instruments in Balance sheet is as under:

(` / Crore)

	Commodity forward contract- Margin Hedging	
	31.03.2021	31.03.2020
Nominal Amount	115.55	50.38
Carrying Amount	(1.14)	(24.11)
Line item in Balance sheet that include Hedge Instrument	Other Financial Assets/Other Financial Liabilities	Other Financial Assets/Other Financial Liabilities

The Impact of Cash flow Hedge in the statement of Profit and Loss and Other comprehensive Income (OCI):

(` / Crore)

	Highly Probable Forecast Transaction	
	2020-21	2019-20
Hedging Gain / (Loss) recognised in OCI*	(1.14)	(24.11)
Income tax on Above	0.29	6.07
Net amount recognised in Cash flow Hedge Reserve	(0.85)	(18.04)
Amount reclassified from Cash flow hedge reserve to Statement of Profit and Loss	(24.11)	-
Income tax on above	6.07	-
Line item in the Statement of Profit and Loss that includes the reclassification adjustment	Revenue/Purchases	Revenue/Purchases

* The Corporation expects that the amount of Loss recognised in cash flow hedge reserve through Other comprehensive income (OCI) will be recovered in future period through gains in underlying transactions.

39.B.3.4. Price risk

The Corporation's exposure to equity investment has price risk. Such investments are designated at fair value through Other Comprehensive Income, as these investments are held for long-term strategic purposes.

Sensitivity

The table below summarises the impact of increase/decrease in price:

	Equity Instruments through OCI (In ` Crore)			
	1%	1%	1%	1%
	Increase	Decrease	Increase	Decrease
	31.03.2021		31.03.2020	
Equity Investment in Oil India Ltd.	3.28	(3.28)	2.21	(2.21)

39.C.1. Offsetting

The financial instruments that are otherwise eligible for offset and other similar arrangements but are not offset, as at period end. The column 'net amount' shows the impact on the balance sheet if all set-off rights are exercised.

(` / Crore)

	Effect of offsetting on the Balance Sheet			Related amounts not offset	
	Gross amounts (A)	Gross amounts set off in the Balance Sheet (B)	Net amounts presented in the Balance Sheet(C) (A-B)	Amounts not Offset(D)(Other than (B))	Net Amount (E) (C-D)
As on March 31, 2021					
Financial assets					
Trade Receivables	8,046.88	(1,190.57)	6,856.31	-	6,856.31
Financial liabilities					
Trade Payables	18,887.84	(1,190.57)	17,697.27	-	17,697.27
Other Current Financial Liabilities	20,341.97	-	20,341.97	-	20,341.97
As on Mar 31, 2020					
Financial assets					
Trade Receivables	7,720.43	(3,797.71)	3,922.72	(138.22)	3,784.50
Financial liabilities					
Trade Payables	15,096.68	(3,797.71)	11,298.97	-	11,298.97
Other Current Financial Liabilities	23,338.74	-	23,338.74	(138.22)	23,200.52

40. Revenue from Contracts with Customers

The revenue is recognised only upon satisfaction of performance obligation and whenever there are remaining performance obligations, the same is recognised as revenue, a) in case of amount received in advance from a Customer, when the product is delivered to the Customer, b) in case of loyalty points earned by Customer, when such points are redeemed / expire. Such remaining obligations, termed as Contract Liability under the IND-AS 115 'Revenue Recognition' at period end together with Trade Receivable is as under:

(` / Crore)

	31.03.2021	31.03.2020
Trade Receivables	6,856.31	3,922.72
Liabilities under contractual obligation	1,044.75	1,046.95

During the financial year, the Corporation recognized revenue of ` 801.78 Crore (2019-20: ` 836.60 Crore) arising from opening unearned revenue.



41. Leases

The Corporation enters into lease arrangements for underlying assets such as land, office premises, staff quarters. Upon 1st time adoption of Ind AS 116 in financial year 2019-20, the Corporation had chosen modified retrospective approach with exercising of options to use certain practical expedients. 'Lease Liability' and 'Right-of-use Assets', wherever the term of lease is in excess of 12 months have been appropriately disclosed, unless the underlying Asset is of low value.

A. Maturity analysis of lease liabilities:

The amounts disclosed in the table below are the contractual undiscounted cash flow:

	(` / Crore)	
	31.03.2021	31.03.2020
Less than one year	314.49	269.44
Between one and three years	616.00	512.72
More than three years	5,664.00	5,092.03
	6,594.49	5,874.19

B. Other Disclosures:

	(` / Crore)	
Particulars	31.03.2021	31.03.2020
a) Expense relating to short-term leases	846.16	781.06
b) Expense relating to leases of low-value assets *	5.21	4.89
c) Expense relating to variable lease payments not included in the measurement of lease liabilities	4,826.02	4,512.62
d) Income from sub-leasing of 'right-of-use'	45.15	60.64
e) Interest expense on lease liabilities	245.43	201.72
f) Total cash outflow for leases	310.51	264.05

* Lease of items such as Personal Computers, Laptops, Printers, Photocopiers, Scanners etc., small items of furniture & fixtures and Other Office Equipment including Digital devices and Point of Sales Machines provided at customer touch points are treated as low-value leases under Ind-AS 116, Leases.

C. The following are the carrying values of Right-of-use (ROU) assets:

	(` / Crore)			
Particulars	Class of Underlying Asset			Total
	Land	Buildings	Plant & Equipment	
Gross Block				
As on 01.04.2020	3,389.36	53.95	-	3,443.31
Additions	537.77	71.55	25.25	634.57
Deductions/ Reclassifications	13.31	7.43	-	20.74
As on 31.03.2021	3,913.82	118.07	25.25	4,057.14
Depreciation/ Amortisation				
As on 01.04.2020	158.05	14.04	-	172.09
For the year	189.62	20.68	2.95	213.25
Deductions/ Reclassifications	5.12	7.43	-	12.55
As on 31.03.2021	342.55	27.29	2.95	372.79
Net Block as on 01.04.2020	3,231.31	39.91	-	3,271.22
Net Block as on 31.03.2021	3,571.27	90.78	22.30	3,684.35

42. Related Party Disclosure

A. Name of the Related Party and the nature of the relationship:

1. Holding Company, Subsidiaries, Jointly controlled entities and Associates (Govt related entities, except otherwise mentioned):

(a) Holding Company

- i. Oil & Natural Gas Corporation Ltd.

(b) Subsidiaries

- i. HPCL Biofuels Ltd.
- ii. Prize Petroleum Company Ltd. (PPCL)
- iii. Prize Petroleum International Pte. Ltd. (a wholly owned subsidiary of PPCL)
- iv. HPCL Middle East FZCO
- v. HPCL Shapoorji Energy Pvt. Ltd. (refer Note 6.3)

(c) Jointly controlled entities

- i. HPCL Rajasthan Refinery Ltd.
- ii. Bhagyanagar Gas Ltd.
- iii. Petronet MHB Ltd.
- iv. Mumbai Aviation Fuel Farm Facility Pvt. Ltd.
- v. Godavari Gas Pvt. Ltd.
- vi. Aavantika Gas Ltd.
- vii. Ratnagiri Refinery & Petrochemicals Ltd.
- viii. Ujjwala plus foundation
- ix. HPOIL Gas Pvt. Ltd.
- x. IHB Pvt. Ltd.

(d) Jointly controlled entities (Other than Govt. related entities)

- i. HPCL-Mittal Energy Ltd.
- ii. Hindustan Colas Pvt. Ltd.
- iii. South Asia LPG Company Pvt. Ltd.
- iv. Petronet India Ltd. (in process of voluntary winding up w.e.f. 30th August 2018)

(e) Associates

- i. GSPL India Gasnet Ltd.
- ii. GSPL India Transco Ltd.
- iii. Mangalore Refinery and Petrochemicals Ltd.

(f) Fellow Subsidiaries

- i. ONGC Mangalore Petrochemicals Ltd.

2. Key Management Personnel

- i. Shri Mukesh Kumar Surana, Chairman and Managing Director
- ii. Shri Pushp Kumar Joshi, Director - Human Resources
- iii. Shri Vinod S. Shenoy, Director - Refineries
- iv. Shri R. Kesavan, Director - Finance & CFO
- v. Shri Rakesh Misri, Director - Marketing
- vi. Shri V. Murali, Company Secretary (CS)

**3. Independent Directors**

- i. Shri G. Rajendran Pillai
- ii. Shri Amar Sinha (Upto 20th September 2020)
- iii. Shri Siraj Hussain (Upto 20th September 2020)

4. Government Nominee Directors

- i. Shri Sunil Kumar
- ii. Shri Subhash Kumar

Note: The disclosure requirements in respect of transactions with 'Govt. related entities', being exempted under Ind AS 24, the rest of Related Party Disclosures (i.e. Parties named in '1(d)' above & '1(b)v') are furnished as under:

B. Details of transactions with related parties:

	(` / Crore)	
	2020-21	2019-20
(i) Sale of goods		
HPCL-Mittal Energy Ltd.	35.73	132.63
Hindustan Colas Pvt. Ltd.	691.50	482.38
South Asia LPG Company Pvt. Ltd.	0.22	0.20
	727.45	615.21
(ii) Purchase of goods		
HPCL-Mittal Energy Ltd.	22,544.93	38,168.16
Hindustan Colas Pvt. Ltd.	240.85	82.58
	22,785.78	38,250.74
(iii) Dividend income		
HPCL-Mittal Energy Ltd.	-	50.03
Hindustan Colas Pvt. Ltd.	59.06	18.90
South Asia LPG Company Pvt. Ltd.	75.00	55.00
	134.06	123.93
(iv) Services provided (Manpower Supply Service)		
HPCL-Mittal Energy Ltd.	0.36	0.67
Hindustan Colas Pvt. Ltd.	2.53	2.73
South Asia LPG Company Pvt. Ltd.	0.64	0.66
HPCL Shapoorji Energy Pvt. Ltd.	0.72	0.30
	4.25	4.36
(v) Lease rental income		
HPCL-Mittal Energy Ltd.	1.20	1.20
Hindustan Colas Pvt. Ltd.	0.51	0.26
South Asia LPG Company Pvt. Ltd.	1.71	1.16
	3.42	2.62
(vi) Other Income (Services provided)		
HPCL-Mittal Energy Ltd.	16.65	18.91
Hindustan Colas Pvt. Ltd.	3.96	3.61
	20.61	22.52

(` / Crore)

	2020-21	2019-20
(vii) Others Expenses (Services availed)		
HPCL-Mittal Energy Ltd.	16.06	16.16
Hindustan Colas Pvt. Ltd.	1.01	4.23
South Asia LPG Company Pvt. Ltd.	92.27	91.03
	109.34	111.42
(viii) Investment in equity shares		
HPCL Shapoorji Energy Pvt. Ltd.	740.00	151.00
	31.03.2021	31.03.2020
(ix) Receivables		
HPCL-Mittal Energy Ltd.	5.10	6.72
South Asia LPG Company Pvt. Ltd.	0.06	0.11
HPCL Shapoorji Energy Pvt. Ltd.	0.79	0.13
	5.95	6.96
(x) Payables		
HPCL-Mittal Energy Ltd.	2,528.52	1,363.04
Hindustan Colas Pvt. Ltd.	29.97	29.37
South Asia LPG Company Pvt. Ltd.	9.97	8.47
	2,568.46	1,400.88

C. Transactions with other Government-Controlled Entities

The Company is a Government related entity, engaged in the business of refining of crude oil and marketing of petroleum products. The Company also deals on regular basis with entities directly or indirectly controlled by the Central / State Governments through its Government authorities, agencies, affiliations and other organizations (collectively referred as "Government related entities").

Apart from transactions with Companys' group Companies, the Company has transactions with other Government related entities, including but not limited to the followings:

- sale and purchase of products;
- rendering and receiving services;
- leasing of assets;
- depositing and borrowing money and
- use of public utilities

These transactions are conducted in the ordinary course of the Company's business on terms comparable to those with other entities that are not Government related.

D. Remuneration paid to Key Management Personnel (KMP)*

(` / Crore)

No	Description	2020-21	2019-20
(i)	Short-term Employee Benefits	3.70	4.28
(ii)	Post-Employment Benefits	-	0.46
		3.70	4.74

* Remuneration to KMP has been considered from / to the date from which they became/ceased to be KMP.



E. Amount due from Key Management Personnel

(` / Crore)

No	Description	31.03.2021	31.03.2020
(i)	Shri Mukesh Kumar Surana	0.09	0.08
(ii)	Shri Pushp Kumar Joshi	-	0.16
(iii)	Shri Vinod S Shenoy	0.05	0.06
(iv)	Shri Rakesh Misri	0.07	0.07
(v)	Shri V. Murali	0.19	0.11
		0.40	0.48

F. Sitting Fee paid to Non-Executive Directors

(` / Crore)

Details of Meeting	Shri Amar Sinha	Shri Siraj Hussain	Shri G. Rajendran Pillai
Board	0.02	0.02	0.04
Audit Committee	0.02	0.02	0.01
Stakeholders Relationship Committee	-	-	0.00
Nomination & Remuneration Committee	-	-	0.00
CSR & SD Committee	0.00	-	0.01
Investment Committee	0.01	0.01	-
Independent Directors Meeting	-	-	0.00
Total Sitting Fees	0.05	0.05	0.06

43. Disclosure as required by Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements), 2015

(` / Crore)

No	Particulars	Balance as on		Maximum amount outstanding during the year	
		31.03.2021	31.03.2020	2020-21	2019-20
(a)	Loans and advances in the nature of loans to subsidiary Companies (by name and amount):				
	Inter Corporate Loan to HPC - Biofuels Ltd	165.00	140.00	261.00	150.00
(b)	Loans and advances in the nature of loans to joint ventures (by name and amount)	-	-	-	-
(c)	Loans and advances in the nature of loans to firms/ companies in which directors are interested	-	-	-	-
(d)	Investment by the loanee in the shares of HPCL and its subsidiary company, when the Company has made a loan or advance in the nature of loan	-	-	-	-

44. Tax expense

(a) Amount recognised in Statement of Profit and Loss

(` / Crore)

	2020-21	2019-20
Current tax expense		
Current year	3,569.56	166.95
Changes in estimates relating to prior years (refer Note 44(e))	(0.42)	103.92
Deferred tax expense		
Origination and reversal of temporary differences	(3.28)	316.50
Changes in estimates relating to prior years (refer Note 44(e))	17.05	(1,652.04)
Tax expense recognised	3,582.91	(1,064.67)

(b) Amount recognised in Other Comprehensive Income:

(` / Crore)

	2020-21			2019-20		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
Items that will not be reclassified to profit or loss:						
Re-measurement of the defined benefit plans	(123.25)	31.02	(92.23)	(211.20)	53.15	(158.05)
Items that will be reclassified to profit or loss:						
Effective Portion of Gains/(loss) in a Cash Flow Hedge	(1.14)	0.29	(0.85)	(24.11)	6.07	(18.04)

(c) Reconciliation of effective tax rate

	2020-21		2019-20	
	%	(` / Crore)	%	(` / Crore)
Profit before tax		14,246.79		1,572.59
Tax as per Corporate Tax Rate	25.168%	3,585.63	25.168%	395.79
Tax effect of:				
Non-deductible tax expenses	0.340%	48.37	8.375%	131.70
Tax-exempt income	(0.553%)	(78.73)	(2.070%)	(32.56)
Interest expense u/s 234B/C not deductible for tax purposes	0.077%	11.01	0.000%	-
Deduction for research and development expenditure	0.000%	-	0.000%	-
Adjustments recognised in current year in relation to the current tax of prior years	0.117%	16.63	(98.443%)	(1,548.11)
Others	0.000%	-	(0.731%)	(11.49)
Income Tax Expense	25.149%	3,582.91	(67.702%)	(1,064.67)



(d) Movement in deferred tax balances

(` / Crore)

	Net balance 01.04.2020	Recognised in profit or loss	Recognised in OCI	Net balance 31.03.2021
Deferred Tax Asset				
Provision for Employee Benefits	134.75	10.42	-	145.17
Current investments	(15.55)	(18.30)	-	(33.85)
Provision for Doubtful Debts & Receivables	175.04	176.00	-	351.04
Disallowance u/s 43B	16.14	0.20	-	16.34
Others	137.42	58.66	(5.78)	190.30
	447.80	226.98	(5.78)	669.00
Deferred Tax Liabilities				
Property, plant and equipment	5,909.13	270.96	-	6,180.09
Others	30.20	(30.20)	-	0.00
	5,939.33	240.76	-	6,180.09
Deferred Tax (Assets) / Liabilities	5,491.53	13.78	5.78	5,511.09

(` / Crore)

	Net balance 01.04.2019	Recognised in profit or loss	Recognised in OCI	Net balance 31.03.2020
Deferred Tax Asset				
Provision for Employee Benefits	159.72	(23.99)	(0.98)	134.75
Current investments	70.37	(85.92)	-	(15.55)
Provision for Doubtful Debts & Receivables	166.98	8.06	-	175.04
Disallowance u/s 43B	89.65	(73.51)	-	16.14
Others	101.18	30.17	6.07	137.42
	587.90	(145.19)	5.09	447.80
Deferred Tax Liabilities				
Property, plant and equipment	7,736.71	(1,827.58)	-	5,909.13
Others	15.94	14.26	-	30.20
	7,752.65	(1,813.32)	-	5,939.33
Deferred Tax (Assets) / Liabilities	7,164.75	(1,668.13)	(5.09)	5,491.53

- (e) Provision for tax for earlier years ` 16.63 Crore (2019-20: ` (1,548.11) Crore) comprising of additional provision towards current tax of ` 7.18 Crore (2019-20 : ` 172.33 Crore), additional provision towards deferred Tax of ` 17.05 Crore (2019-20: ` (1,652.03) Crore) and recognition of MAT credit Entitlements of ` 7.60 Crore (2019-20: ` 68.41 Crore).

The Provision for Tax for earlier years includes an additional amount of ` 11.79 Crore (2019-20: ` 623.01 Crore) provided during year, pursuant to filing of declaration and acceptance by Income tax department under Vivad Se Vishwas Scheme, 2020 (opted in FY 2019-20), leading to revised tax liability of ` 776.66 Crore vis.a.vis. earlier determination of ` 764.87 Crore, accounted till previous financial years. The proceedings have not been concluded.

45. Earnings per share (EPS)

Basic EPS is derived by way of dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year, whereas Diluted EPS factors the effects of all dilutive potential ordinary shares.

	(` / Crore)	
	2020-21	2019-20
Profit attributable to equity holders for basic and diluted earnings per share (A)	10,663.88	2,637.26
Weighted average number of shares for basic and diluted earnings per shares (B) (refer Note 19 H (ii))	1,511,057,676	1,523,822,625
Basic and Diluted Earnings per Equity Share (`) (A/B)	70.57	17.31

46. Capital management

The Corporation's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Company's debt to equity ratio, used for monitoring capital management is as follows:

	(` / Crore)	
	31.03.2021	31.03.2020
Long term borrowings (excluding Lease Liabilities) (refer note # 21)	25,189.54	24,381.94
Total equity (refer note # 19 and 20)	36,186.11	28,962.36
Debt to Equity ratio	0.70	0.84

47. Dividends

	(` / Crore)	
	31.03.2021	31.03.2020
(i) Dividends paid during the year		
Final dividend per fully paid share for the year ended 31.03.2020: ` 9.75 (31.03.2019: ` 9.40) This amount includes Dividend distribution tax of ` NIL (31.03.2019: ` 294.43 Crore).	1,485.73	1,726.82
(ii) Dividends to be paid, not recognised at the end of the reporting period		
The Board have recommended a final dividend of ` 22.75 per fully paid equity share (31.03.2020 : ` 9.75), subject to the approval of shareholders in the ensuing annual general meeting.	3,227.20	1,485.73



48. In compliance of Ind AS-27 'Separate Financial Statements', the required information is as under

Name of Company	Country of Incorporation	Nature of Investments	Percentage of ownership interest as on	
			31.03.2021	31.03.2020
HPCL - Biofuels Ltd.	India	Subsidiary	100.00	100.00
Prize Petroleum Company Ltd	India	Subsidiary	100.00	100.00
HPCL Middle East FZCO	Dubai	Subsidiary	100.00	100.00
HPCL Shapoorji Energy Private Ltd.	India	Subsidiary	100.00	50.00
HPCL Rajasthan Refinery Ltd	India	Joint Venture	74.00	74.00
Hindustan Colas Private Ltd.	India	Joint Venture	50.00	50.00
South Asia LPG Company Pvt. Ltd.	India	Joint Venture	50.00	50.00
HPCL-Mittal Energy Ltd.	India	Joint Venture	48.99	48.99
Aavantika Gas Ltd.	India	Joint Venture	49.99	49.99
Petronet MHB Ltd.	India	Joint Venture	50.00	50.00
Godvari Gas Pvt. Ltd.	India	Joint Venture	26.00	26.00
Mumbai Aviation Fuel Farm Facility Pvt Ltd.	India	Joint Venture	25.00	25.00
Bhagyanagar Gas Ltd.*	India	Joint Venture	48.73	24.99
Petronet India Ltd.	India	Joint Venture	16.00	16.00
Ratnagiri Refinery & Petrochemicals Ltd	India	Joint Venture	25.00	25.00
HPOIL Gas Pvt Ltd.	India	Joint Venture	50.00	50.00
IHB Pvt Ltd	India	Joint Venture	25.00	25.00
Mangalore Refinery and Petrochemicals Ltd.	India	Associate	16.96	16.96
GSPL India Transco Ltd	India	Associate	11.00	11.00
GSPL India Gasnet Ltd	India	Associate	11.00	11.00

* As of 31st March 2014, Bhagyanagar Gas Ltd. (BGL) had a paid up equity capital of ₹ 5 lakhs, in which HPCL and GAIL were holding 24.99% each and the balance 50.02% of shares were held by Kakinada Seaports Ltd (KSPL) on warehousing basis. In addition, HPCL and GAIL had paid ₹ 22.49 Crore each as Advance against Equity / Share application money (totaling to ₹ 44.98 Crore). On 20th August 2014, BGL allotted 2,24,87,500 shares on preferential basis to each of HPCL and GAIL towards the money paid earlier. Accordingly, the Corporation's shareholding in BGL had increased to 48.73%. KSPL challenged this in the Company Law Board (CLB), Chennai Bench which dismissed it on 14-Sep-2014. Against this, KSPL moved the High Court, Telangana, which did not stay the dismissal order of CLB. Pending adjudication of the appeal by KSPL before the High Court, the shareholding was considered at 24.99% till 31st March 2020. At its AGM held on 29-Sept-2020, BGL declared maiden final dividend for FY 2019-20. Accordingly, the Corporation received dividend of ₹ 0.87 Crore on its stake of 48.73% which has been considered in the Financial Statements. Though KSPL's appeal is sub judice, taking all facts into consideration, Corporation's stake in BGL is now considered at the actual shareholding of 48.73% which is consistent with the Articles of Association of BGL.

Ujjwala Plus Foundation, a joint venture of Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Ltd (HPCL) was incorporated on 21st July 2017 as a not for profit Private Company Limited by Guarantee (Without Share Capital) under Section 8 of the Companies Act 2013.

49. The Corporation has entered into production sharing Oil & Gas exploration contracts in India in consortium with other body corporates. The details are as under

Name of the Block	Participating Interest of HPCL in%	
	31.03.2021	31.03.2020
In India		
Under NELP IV		
KK- DWN-2002/2	20.00	20.00
KK- DWN-2002/3	20.00	20.00
CB- ONN-2002/3	15.00	15.00
Under NELP V		
AA-ONN-2003/3	15.00	15.00
Under NELP VI		
CY-DWN-2004/1	10.00	10.00
CY-DWN-2004/2	10.00	10.00
CY-DWN-2004/3	10.00	10.00
CY-DWN-2004/4	10.00	10.00
CY-PR-DWN-2004/1	10.00	10.00
CY-PR-DWN-2004/2	10.00	10.00
KG-DWN-2004/1	10.00	10.00
KG-DWN-2004/2	10.00	10.00
KG-DWN-2004/3	10.00	10.00
KG-DWN-2004/5	10.00	10.00
KG-DWN-2004/6	10.00	10.00
MB-OSN-2004/1	20.00	20.00
MB-OSN-2004/2	20.00	20.00
RJ-ONN-2004/1	22.22	22.22
RJ-ONN-2004/3	15.00	15.00
Under NELP IX		
MB-OSN-2010/2	30.00	30.00
Cluster - 7	60.00	60.00

- (i) The block CB-ONN-2002/3 was awarded under NELP IV bidding round and the production sharing contract was signed on 06.02.2004. The exploration Minimum Work Program has been completed. Production from SE# 3/4 wells of the Block is in progress, which had started during FY 2017-18. The share of the assets, liabilities, income and expenditure is considered based on the Management certified financials for the FY 2020-21.
- (ii) In respect of Cluster - 7, the matter is under litigation (refer Note No. 52.1). The share of the assets, liabilities, income and expenditure is considered based on the Management Certified financials for FY 2020-21.
- (iii) Other than (i) & (ii) above, the remaining blocks are in the process of relinquishment/ under relinquishment and the share of the assets, liabilities, income and expenditure, if any, is considered based on information received from these blocks.



50. During the financial year 2020-21, Corporation has spent ` 156.35 Crore (2019-20: ` 182.24 Crore) towards Corporate Social Responsibility (CSR) as against the budget of ` 129.97 Crore (2019-20: ` 182.13 Crore)

(` / Crore)

No	Head of Expenses	2020-21	2019-20
1	Promoting Education	10.10	39.58
2	Promoting Health Care	130.51	25.03
3	Empowerment of Socially and Economically Backward groups	6.56	6.64
4	Promotion of Nationally recognized and Para-Olympic Sports	-	0.88
5	Imparting Employment by Enhancing Vocation Skills	2.50	41.27
6	Swachh Bharat Abhiyaan	3.77	27.22
7	Environment Sustainability	-	36.80
8	Others	2.91	4.82
		156.35	182.24

Amount spent during the financial year 2020-21 on:

(` / Crore)

No	Details	In cash	Yet to be paid in cash	Total
(i)	Construction/Acquisition of assets controlled by the Company			
(ii)	Purpose other than (i) above	155.02	1.33	156.35

Amount spent during the financial year 2019-20 on:

(` / Crore)

No	Details	In cash	Yet to be paid in cash	Total
(i)	Construction/Acquisition of assets controlled by the Company	-	-	-
(ii)	Purpose other than (i) above	162.69	19.55	182.24

Excess amount spent during the financial year 2020-21:

(` / Crore)

	Opening balance	Amount required to be spent during the year	Amount spent during the year	Closing balance
	-	129.97	156.35	26.38

51. To the extent Micro and Small Enterprises have been identified, the outstanding balance, including interest thereon, if any, as at balance sheet date is disclosed on which Auditors have relied upon

(` / Crore)

Particulars	31.03.2021		31.03.2020	
	Liability towards Capital Expenditure	Trade Payables	Liability towards Capital Expenditure	Trade Payables
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:				
- Principal	492.08	131.13	339.55	105.56
- Interest	-	-	-	-

(` / Crore)

Particulars	31.03.2021		31.03.2020	
	Liability towards Capital Expenditure	Trade Payables	Liability towards Capital Expenditure	Trade Payables
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:				
- Principal	-	-	-	-
- Interest	-	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

52. Contingent Liabilities and Commitments*

(` / Crore)

I. Contingent Liabilities	31.03.2021	31.03.2020
A. Disputed demands / claims subject to appeals / representations filed by the Corporation		
i. Sales Tax/Octroi	1,670.83	1,880.18
ii. Excise/Customs	264.14	378.46
iii. Land Rentals & Licence Fees	238.92	224.97
iv. Others	94.52	87.37
	2,268.41	2,570.98
B. Disputed demands / claims subject to appeals / representations filed against the Corporation		
i. Sales Tax/Octroi	0.77	0.77
ii. Employee Benefits/Demands (to the extent quantifiable)	338.84	212.88
iii. Claims against the Corporation not acknowledged as Debts (refer note 52.1)	396.46	430.20
iv. Others	211.86	144.98
	947.93	788.83

* Contingent Liabilities considered as 'remote' as per Ind AS 37 are not included.



(₹ / Crore)

	31.03.2021	31.03.2020
II. Guarantees given to Others	1,896.52	1,888.43

- 52.1 The Corporation with a Participating Interest (PI) of 60%, Prize Petroleum Company Limited (PPCL), a subsidiary company along with 2 other consortium members together having a PI of 10%, and M3nergy Sdn. Bhd (M/s M3nergy) having a PI of 30% were awarded service contract in March, 2006 for development of ONGC's offshore marginal oilfields of cluster-7. PPCL was the executing contractor. Parties provided necessary Bank Guarantees to ONGC. Since M/s M3nergy could not meet their contractual obligations, the contract was terminated by ONGC and Bank guarantees were forfeited. HPCL and PPCL demanded the refund of monies forfeited towards encashment of Bank Guarantee along with other claims from M/s M3nergy. A counter claim of USD 36.51 Million was made by M3nergy on termination of such service contract. The matter was referred to Arbitration.

The Arbitral Tribunal passed 3 Awards, 3rd being Final Award. All awards were in favour of the Corporation and PPCL. The Arbitral Tribunal vide 1st partial arbitration award dated 09.01.2014 held that M3nergy had committed breach of the contract and hence their counter claims were disallowed and that the Corporation and PPCL are entitled for damages, which will be quantified later. The 2nd Partial Award dated 27/09/2017 allowed 2 claims of the Corporation/ PPCL in the ratio of 6:1, viz., (1) A claim of USD 91.3 million towards loss of profit (by a majority Award) and (2) A claim of recovery of damages by way of money lost due to encashment of Bank Guarantees of ₹ 41.60 Crore (by a unanimous Award). Both amounts were allowed with interest. Arbitral Tribunal passed final award as to cost vide Award dated 15.06.2018 thereby directing M3nergy to pay ₹ 4.82 Crore to the Corporation/PPCL towards cost of arbitration.

All the 3 Awards were challenged by M3nergy before the Bombay High Court. However, there was no stay granted by Bombay High Court, hence, HPCL/ PPCL filed applications for (a) Mareva Injunction and (b) Enforcement of the Award before the Courts in Malaysia since M3nergy is located in Malaysia.

By Orders dated 10th January, 2019 the Bombay High Court set aside all three Arbitration Awards. As the Awards were set aside (on the basis of which the enforcement application was filed by HPCL), on 28.02.2019 the Malaysian High Court at Kuala Lumpur allowed the application of M3nergy to set aside the enforcement order with liberty to file fresh proceedings, if HPCL/ PPCL succeed later. Meanwhile, HPCL and PPCL have filed Appeals against the setting aside order (of Single Judge Bombay High Court) before the Division Bench of the Bombay High Court. After hearing arguments of parties, on 16th of October, 2019 the Bombay High Court set aside the Single Judge's Order and remanded all the 3 matters back to the Single Judge of the Bombay High Court, to decide the matter afresh on merits. This Order was challenged by M3nergy before the Supreme Court by filing Special Leave Petition (SLP) which, after brief arguments, was dismissed as withdrawn (by M3nergy) on 31st January 2020. As a result, the Single Judge of Bombay High Court will hear the matter afresh on merits.

As a result, the Corporation's share of the awarded amount which is approximately ₹ 420.74 Crore (78.26 Million USD @ exchange rate of ₹ 48.68 for a US Dollar prevailing on January 6, 2009 plus ₹ 39.79 Crore towards loss of profit /damages /costs) and interest thereon has not been recognized on a conservative basis. Further, the claim raised by M3Energy to the extent of Corporation's share i.e. approximately ₹ 228.81 Crore (@ Exchange rate of 1 USD = ₹ 73.115), being considered remote is also not recognized.

(₹ / Crore)

III. Commitments	31.03.2021	31.03.2020
Estimated amounts of contracts remaining to be executed on capital account not provided for	18,116.18	22,278.25

- 52.2. Corporation has entered into a long term product off take agreement with HPCL - Mittal Energy Limited (HMEL), its joint venture company, for purchase of petroleum products produced by the refinery. This agreement has a take or pay clause and the Corporation is committed to purchase the said petroleum products over the tenure of the agreement.
- 52.3. In respect of certain Joint Venture/Associate Companies, the Corporation and other joint venture partners have committed that they would jointly hold at least 51% of share capital of such Joint Venture/Associate till the repayment of certain bank loans / bonds.

IV. Corporation's Share in aggregate of Contingent Liabilities of Jointly Controlled Operations (refer Note No.49):

(` / Crore)

Jointly controlled Operations	31.03.2021	31.03.2020
Contingent Liabilities	266.94	276.25

53. In compliance of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets', the requisite information with respect to movement in balance is as under:

(` / Crore)

Particulars	Opening Balance as on 01.04.2020	Additions	Utilization	Reversals	Closing Balance as on 31.03.2021
Excise	-	4.43	0.67	0.29	3.47
Sales Tax/Octroi/Entry Tax	210.35	194.93	1.47	17.09	386.72
Others	834.78	376.64	131.81	47.34	1,032.27
Total	1,045.13	576.00	133.95	64.72	1,422.46

(` / Crore)

Particulars	Opening Balance as on 01.04.2019	Additions	Utilization	Reversals	Closing Balance as on 31.03.2020
Excise	0.59	-	0.50	0.09	-
Sales Tax/Octroi/Entry Tax	438.04	1.40	95.27	133.82	210.35
Service Tax	13.50	0.26	6.28	7.48	-
Others	571.94	322.56	0.88	58.84	834.78
Total	1,024.07	324.22	102.93	200.23	1,045.13

Note: The above provisions are made based on estimates and expected timing of outflows is not ascertainable at this stage.

54. (a) Inter-Oil Company transactions are reconciled on a continuous basis. However, year end balances are subject to confirmation/reconciliation which is not likely to have a material impact.
- (b) Customer's accounts are reconciled on an ongoing basis and such reconciliation is not likely to have a material impact on the outstanding or classification of the accounts.
55. Considering the Government policies and modalities of compensating the oil marketing companies towards under-recoveries, future cash flows have been worked out based on the desired margins for deciding on impairment of related Cash Generating Units. Since there is no indication of impairment of assets as at Balance Sheet date as per the assessment carried out, no impairment has been considered. In view of assumptions being technical, peculiar to the industry and Government policy, the auditors have relied on the same.
56. On the reporting date, the Corporation has an equity investment of ` 748.94 Crore (31.03.2020: ` 395.16 Crore) in its wholly owned subsidiary, HPCL Biofuels Ltd. (HBL). The above investment includes an equity infusion together with conversion of loan into equity during the current financial year aggregating to ` 353.78 Crore. The subsidiary has reported loss for the current financial year. Pursuant to impairment assessment carried out, an amount of ` 50 Crore (2019-20: ` 196.16 Crore against equity and ` 127 Crore towards loss allowance against Outstanding Loan) has been provided during the current financial year, taking the aggregate impairment as of 31.03.2021 to ` 572.16 Crore (31.03.2020: ` 395.16 Crore against equity and ` 127 Crore against Loan) against the aforesaid carrying value. The said impairment has been carried out in line with the requirement of Ind AS 36 and is based on the estimated future cash flow projections from continuing use of its Assets in the entity. In the opinion of the management, the current level of impairment is appropriate considering the intricacies involved in the Sugar Industry.



57. The Corporation has an equity investment of ₹ 248.97 Crore in its 100% subsidiary, Prize Petroleum Company Limited. During the current financial year, an impairment assessment is carried out and ₹ NIL (2019-20: ₹ 33.57 Crore) is provided. The total amount of impairment towards the carrying value of the investment stands at ₹ 162.98 Crore (31.03.2020: ₹ 162.98 Crore). The said impairment is in line with the requirement of Ind AS 36 and is based on the estimated future cash flow projections from continuing use of its Assets in the entity. In the opinion of the management, the current level of impairment is appropriate.
58. The Corporation's 100% step-down subsidiary, Prize Petroleum International Pte Ltd. (a wholly owned subsidiary of Prize Petroleum Company Ltd.), incorporated in Singapore is engaged in the business of exploration & production of hydrocarbons. On a Corporate Guarantee provided to the Bank by the corporation towards a loan of \$86m taken by the step-down subsidiary during the financial year 2016-17, the carrying value of it was re-measured during the current financial year and a loss allowance of ₹ NIL (2019-20: ₹ 165 Crore) is provided during the year (under 'Sundry Expenses and Charges'). The total amount of loss allowance thus made towards the carrying value of the Corporate Guarantee stands at ₹ 318 Crore (31.03.2020: ₹ 318 Crore).
59. The Pradhan Mantri Ujjwala Yojana (PMUY) was launched in 2016 to provide LPG connections to women from BPL households. Under the scheme, no charges towards the deposit of equipment and cost of Suraksha hose were to be collected from the beneficiary. An amount of ₹ 1,600 per connection is paid by the Oil Marketing Companies (OMC) to the Distributor and the Government reimburses OMC's an amount of ₹ 1,600 per connection towards the same. For the purchase of the stove (cost ₹ 990/-) as well as for cost of the first fill (prevailing rate at the time of installation), the beneficiary is given an option to avail loan from OMC. This loan is to be recovered from the subsidy payable to the consumer on purchase of the refill cylinder. The total loan disbursed to Consumers under (PMUY), since inception is ₹ 2,963.01 Crore (31.03.2020: ₹ 2,963.75 Crore) and of this ₹ 1,882.25 Crore (31.03.2020: ₹ 1,966.21 Crore) is outstanding at period end. This is to be repaid out of the subsidy accruing to the consumer from the subsequent refill of cylinders. The overall consumer base is at 2.15 Crore (net of termination) and the consumption pattern of LPG is still evolving. Considering the consumption pattern of refills, level of subsidies and consequential impact on repayment of the loan, by following the principles of prudence and conservatism, an aggregate provision of ₹ 618.07 Crore (31.03.2020: ₹ 227.40 Crore) is estimated and recognized as on 31/03/2021, which includes a provision of ₹ 390.67 Crore (2019-20: ₹ 131.69 Crore) made during the financial year 2020-21. The expected credit loss estimate is reasonable. The Loan is considered as 'subsequently measured at amortized cost' in the financial statements. Considering the steep decline in the average subsidy of LPG during the year at ₹ 42/- (2019-20: ₹ 200/-) per cylinder and the consequential increase in loan tenure, the carrying value of loan outstanding as at Balance Sheet date requires re-measurement based on revised estimates of future cash flows. Such re-measurement resulted in reduction in gross carrying amount of outstanding loan by ₹ 450.62 Crore (2019-20: ₹ NIL). Further, considering the recognition of Interest Income of ₹ 177.51 Crore during the year on this Loan, both having been recognized in the Statement of Profit and Loss during the year, the net impact is a reduction in fair-valuation of loan by ₹ 273.11 Crore. The carrying amount of outstanding loan at period end after considering loans disbursed/recovered during the year is ₹ 1,080.85 Crore (2019-20: ₹ 1,437.95 Crore).
60. The Corporation implements various Government of India schemes such as PMUY, Direct Benefit Transfer scheme wherein the amount is either received in advance or reimbursed subsequently. As of 31.03.2021, reimbursements amounting to ₹ 215.92 Crore (31.03.2020: ₹ 2,518.00 Crore) are pending for a period beyond 6 months. Being dues from Government, no provision has been considered necessary.
61. During the financial year, Pradhan Mantri Garib Kalyan Yojana (PMGKY) was rolled out by Government of India (GOI) as a COVID relief measure. The scheme entailed PMUY Consumers to avail a sequential advance towards purchase of three free refill cylinders. A total of 3.81 Crore refills were delivered under the scheme towards which an advance amount of ₹ 2,601.86 Crore (2019-20: NIL) was disbursed. The scheme ended on 31.12.2020. The scheme mechanism enabled filing of claim with GOI towards reimbursement. Claims amounting to ₹ 2,510.28 Crore were settled leaving an amount of ₹ 91.58 Crore unsettled till date. This unsettled amount represents advance towards which either, the Consumers after availing advance, had not taken the refills, or claims by the Corporation, which were not settled fully pursuant to price variance between date of advance and date of sale of refill cylinders. Considering that the mechanism towards settlement of such amounts is not explicit, notwithstanding the persuasion for its full and final settlement with GOI, considering the principles of prudence and conservatism, a loss allowance has been recognized amounting to ₹ 91.58 Crore (2019-20: NIL).

62. The COVID-19 pandemic is continuing to inflict high economic and human costs causing slowdown of economic activity, locally and globally. Specific to the Corporation, the pandemic did have an impact in the sales volume, more pronounced in April 2020/Q1FY'21 which had gradually tapered down by end of December 2020. Project construction sites which were required to be closed down after announcement of nationwide lockdown had restarted gradually and by September 2020, resumption to pre-COVID level could be achieved. Despite pandemic, being in the business of essential commodity, all critical supply locations have continued operating even during the lockdown period with health, hygiene and safety measures in place. Both our Refineries and all the supply distribution locations including bulk storage terminals and depots, LPG bottling plants, aviation fuel stations, lube blending plants etc., functioned all through the year with optimized manpower during the lockdown period.

The impact assessment of pandemic is a continuing process given the uncertainties associated with its nature and duration. Being in the business of essential commodity, using the principles of prudence in applying judgements and estimates, the Corporation expects no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets, investments, loans, trade receivable etc. On the Capex front, the Corporation expects to go ahead with its capex plans and ensure execution of the same. The Corporation has adequate fund based limits with consortium as well as non-consortium banks for meeting its working capital requirements. There are adequate foreign and domestic resources that could be readily tapped for raising funds required for meeting any of its Capex or working capital needs and therefore there are no liquidity concerns. Unlike previous financial year, the current situation did not call for any significant write down of inventories at period end resorting to reporting of exceptional item in the financial statement (FY 2019-20: ₹ 1,002.93 Crore, net of Tax: ₹ 750.51 Crore).

63. During the financial year, pursuant to completion of tenure in Office & consequential cessation of 2 of the Independent Directors combined with Government of India not having appointed further Independent Directors to the Board, the number of Independent Director in the Board has got reduced to 1 only, which is less than the minimum number of Independent Directors required in terms of the provisions of the Listing Agreement and the Companies Act, 2013. This is also not in line with the requirement under the relevant SEBI Regulations for the Board to have independent Women Director. The Company has approached the administrative ministry for appointment of requisite number of Directors for compliance of the provisions of the Listing Agreement and the Companies Act, 2013 and the same is awaited. This position has been continuing even as on the date of approval of Financial Statements for the financial year 2020-21. Pending such appointment, the financial statements have been reviewed and recommended to the Board by the reconstituted Audit Committee consisting of one Independent Director and further, these have been approved by the Board consisting of one Independent Director, who is also not an Independent Women Director.

64. Expenditure incurred on Research and Development

	(₹ / Crore)	
	2020-21	2019-20
- Capital	145.60	127.27
- Revenue	150.06	130.65

	(₹ / Crore)	
	2020-21	2019-20
65. Interest on borrowings capitalized (weighted average cost of borrowing rate used for capitalization of general borrowing is 1.53% (2019-20 : 5.96%)).	719.46	760.16

	(₹ / Crore)	
	2020-21	2019-20
66. Exchange Differences adjusted in the carrying amount of Assets during the accounting period.	(70.21)	206.79

67. There are no reportable segments other than downstream petroleum, as per Ind AS - 108 on Segment Reporting.

**68. Threshold limits adopted in respect of financial statements is given below**

Threshold item	Unit of Measurement	Threshold Limit
Capitalization of spare parts meeting the definition of property plant and equipment.	` Lakhs	15.00 (2019-20: 10.00)
Deprecation at 100% in the year of acquisition except LPG cylinders and pressure regulators.	`	10,000.00 (2019-20: 5,000.00)
Income / expenditure pertaining to prior year(s)	` Crore	175.00 (2019-20: 175.00)
Prepaid expenses	` Lakhs	7.50 (2019-20: 5.00)
Disclosure of contingent liabilities	` Lakhs	5.00 (2019-20: 5.00)
Disclosure of capital commitments	` Lakhs	5.00 (2019-20: 5.00)
Refundable Non-current Financial Deposits not yielding Interest excluded from fair-valuation.	` Lakhs	50.00 (2019-20: Nil)
Deposits such as those placed with Utility Entities are charged to revenue in the year of payment except in the year of inception of this threshold, wherein it would cover deposits made till previous years.	`	10,000.00 (2019-20: Nil)

69. Employee benefit obligations**A. Provident Fund:**

The long term employee benefit of Provident Fund is administered through a separate Trust, established for this purpose in accordance with The Employee Provident Fund and Miscellaneous Provisions Act, 1952. The Corporation's contribution to the Provident Fund is remitted to this trust based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. During the year, the Corporation has recognized ` 167.65 Crore (2019-20: ` 146.30 Crore) as Employer's contribution to Provident Fund in the Statement of Profit and Loss. Under the Statute, the shortfall, if any, in the interest obligation, in comparison to minimum rate of return, declared by Government of India will have to be made good by the Employer. There did not arise any shortfall in interest obligation in the current financial year though the previous year's shortfall, provisionally accounted in 2019-20 as ` 10.04 Crore got revised to ` 10.43 Crore and therefore an amount of ` 0.39 Crore (2019-20: ` 10.04 Crore) has been provided and charged to Statement of Profit and Loss during the current financial year.

On reporting date, the Trust Investments included few Non-convertible Debentures of certain Companies, amounting to ` 243 Crore (31.03.2020: ` 243 Crore) which have witnessed default in meeting interest obligations in 2019-20, which continued in 2020-21. In anticipation of probable default in principal repayment these investments were marked down by 70% in Books in 2019-20, which continues to be the true and fair valuation as of 31.03.2021 as per management assessment. Thus, no additional provision (2019-20: ` 170.10 Crore) is warranted during this financial year.

The present value of benefit obligation at period end is ` 4,678.45 Crore (31.03.2020: ` 4,372.13 Crore). The fair value of the assets of Provident Fund Trust as of Balance Sheet date is greater than the present value of benefit obligation.

B. Superannuation Fund:

The Corporation has Superannuation - Defined Contribution Scheme (DCS) maintained by 'Superannuation Benefit Fund Scheme (SBFS) Trust' wherein Employer makes a monthly contribution of a certain percentage of 'Basic Salary & Dearness Allowance(DA)', out of 30%, earmarked for various Superannuation benefits. This is in accordance with Department of Public Enterprises (DPE) guidelines. These contributions are credited to individual Employee's Account maintained either with Life Insurance Corporation of India (LIC) or an optional National Pension Scheme (NPS) Account. For the financial year 2020-21, the Corporation has made an overall contribution of ` 192.51 Crore (2019 - 20 : ` 162.89 Crore) towards Superannuation - DCS [including ` 59.70 Crore (2019-20 : ` 50.76 Crore) to NPS] by charging it to the statement of Profit and Loss.

Further, for the financial year 2020-21, Corporation has made a provision of ` 23.41 Crore (2019-20: ` 52.15 Crore) by charging to Statement of Profit & Loss towards increase in liabilities in case of Superannuation - Defined Benefit Scheme (DBS) determined based on actuarial valuation.

C. The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

(` / Crore)

Sr. No	Particulars	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
1	Present value of projected benefit obligation					
	Present value of Benefit Obligation at the beginning of the period	869.27	907.54	18.78	21.92	11.67
	Interest Cost	59.72	61.80	1.28	1.44	0.80
	Current Service Cost	14.07	58.93	-	-	2.66
	Past Service Cost	-	-	-	9.92	-
	Benefit paid	(100.71)	(58.27)	(3.03)	(6.52)	(0.50)
	Actuarial (gains)/ losses on obligations - due to change in demographic assumptions	-	95.17	0.15	(0.78)	-
	Actuarial (gains)/ losses on obligations - due to change in financial assumptions	3.58	48.70	0.26	0.08	0.05
	Actuarial (gains)/ losses on obligations - due to experience	25.06	(28.80)	(0.35)	2.06	(3.61)
	Present value of Benefit Obligation at the end of the period	870.99	1,085.07	17.09	28.12	11.07
2	Changes in fair value of plan assets					
	Fair value of Plan Assets at the beginning of the period	783.39	749.17	NA	NA	NA
	Interest income	53.82	51.02	NA	NA	NA
	Contributions by the employer	85.88	158.37	NA	NA	NA
	Contributions by the employee	-	4.50	NA	NA	NA
	Benefit paid	(100.71)	-	NA	NA	NA
	Return on plan assets, excluding interest income	(1.89)	14.32	NA	NA	NA
	Fair value of Plan Assets at the end of the period	820.49	977.38	NA	NA	NA
3	Included in Statement of Profit and Loss					
	Current Service Cost	14.07	58.93	-	-	2.66
	Past Service Cost	-	-	-	9.92	-
	Net interest cost	5.90	10.78	1.28	1.44	0.80
	Contributions by the employee	-	(4.50)	-	-	-
	Total amount recognised in Statement of Profit and Loss	19.97	65.21	1.28	11.36	3.46



(` / Crore)

Sr. No	Particulars	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
4	Remeasurements					
	Return on plan assets, excluding interest income	1.89	(14.32)	-	-	-
		2.36	105.74	-	-	-
	(Gain)/loss from change in demographic assumptions	-	95.17	0.15	(0.78)	-
		-	-	-	-	-
	(Gain)/loss from change in financial assumptions	3.58	48.70	0.26	0.08	0.05
		42.90	106.22	0.45	0.50	0.00
	Experience (gains)/losses	25.06	(28.80)	(0.35)	2.06	(3.61)
		28.46	(38.37)	(1.12)	0.09	(0.94)
	Change in asset ceiling, excluding amounts included in interest expense	-	-	-	-	-
		-	-	-	-	-
	Total amount recognised in other comprehensive income	30.53	100.75	0.06	1.36	(3.56)
		71.72	152.89	(0.67)	0.67	0.04

D. Amount recognised in the Balance Sheet

(` / Crore)

	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Present value of benefit obligation as on 31.03.2021	870.99	1,085.07	17.09	28.12	11.07
Fair value of plan assets as on 31.03.2021	820.49	977.38	-	-	-
Net Liability / (Asset) recognised in Balance Sheet	50.50	107.69	17.09	28.12	11.07

(` / Crore)

	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Present value of benefit obligation as on 31.03.2020	869.27	907.54	18.78	21.92	11.67
Fair value of plan assets as on 31.03.2020	783.39	749.17	-	-	-
Net Liability / (Asset) recognised in Balance Sheet	85.88	158.37	18.78	21.92	11.67

E. Plan assets

(` / Crore)

	31.03.2021		31.03.2020	
	Gratuity	PRMBS	Gratuity	PRMBS
Plan assets comprise the following:				
Insurance fund	820.49	977.38	783.39	749.17
	820.49	977.38	783.39	749.17

F. Significant estimates (actuarial assumptions and sensitivity):**(i). The significant actuarial assumptions were as follows:**

31.03.2021	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	6.80%	6.91%	NA	NA	NA
Rate of Discounting	6.80%	6.91%	6.44%	6.49%	6.80%
Rate of Salary Increase	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)				
Mortality Rate After Employment	Indian Individual AMT (2012-15)				

31.03.2020	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	6.87%	6.81%	NA	NA	NA
Rate of Discounting	6.87%	6.81%	6.82%	6.59%	6.87%
Rate of Salary Increase	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)				
Mortality Rate After Employment	Indian Assured Lives Mortality (2006-08)				

(ii). Sensitivity analysis

(` / Crore)

31.03.2021	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of + 1% Change in Rate of Discounting	(47.87)	(133.06)	(0.66)	(0.79)	(0.73)
Delta effect of -1% Change in Rate of Discounting	55.36	170.13	0.73	0.85	0.86
Delta effect of + 1% Change in Future Benefit cost inflation	-	170.71	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(134.07)	-	-	-
Delta effect of + 1% Change in Rate of Salary Increase	9.92	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(12.18)	-	-	-	-
Delta effect of + 1% Change in Rate of Employee Turnover	15.44	-	-	-	(0.80)
Delta effect of -1% Change in Rate of Employee Turnover	(17.46)	-	-	-	0.94

(` / Crore)

31.03.2020	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of + 1% Change in Rate of Discounting	(47.85)	(109.81)	(0.69)	(0.65)	(0.76)
Delta effect of -1% Change in Rate of Discounting	55.06	139.91	0.75	0.70	0.88
Delta effect of + 1% Change in Future Benefit cost inflation	-	140.35	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(110.68)	-	-	-
Delta effect of + 1% Change in Rate of Salary Increase	12.88	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(15.16)	-	-	-	-
Delta effect of + 1% Change in Rate of Employee Turnover	14.11	-	-	-	(0.83)
Delta effect of -1% Change in Rate of Employee Turnover	(15.93)	-	-	-	0.97

**G. The expected maturity analysis of undiscounted benefits is as follows:**

(` / Crore)

	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year & above
31.03.2021				
Gratuity	131.76	84.00	326.43	989.37
PRMBS	50.70	55.05	194.30	323.63
Pension	2.45	2.41	7.02	10.51
Ex - Gratia	5.30	5.19	14.78	21.41
Resettlement Allowance	1.36	0.81	3.91	15.59
Total	191.57	147.46	546.44	1,360.51

(` / Crore)

	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year & above
31.03.2020				
Gratuity	120.48	75.22	328.27	1,002.22
PRMBS	42.00	45.89	163.86	276.71
Pension	2.79	2.76	8.10	12.66
Ex - Gratia	4.05	3.99	11.61	17.76
Resettlement Allowance	1.31	0.72	4.18	16.29
Total	170.63	128.58	516.02	1,325.64

H. Notes:

- I. **Gratuity** : Each employee rendering continuous service of 5 Years or more is entitled to receive gratuity amount equal to 15/26 of the eligible salary for every completed years of service subject to maximum of ` 0.20 Crore at the time of separation from the Corporation. Besides the ceiling of gratuity increases by 25% whenever IDA rises by 50%. The long term employee benefit of Gratuity is administered through a Trust, established under The Payment of Gratuity Act, 1972. The Board of Trustees comprises of representatives from the Employer who are also plan participants in accordance with the plans regulation. The liability towards gratuity is funded with Life Insurance Corporation of India (LIC).
- II. **Pension** : The employees covered by the Pension Plan of the Corporation are entitled to receive monthly pension for life. However, none of the current serving employees are covered under Pension Plan of the Corporation.
- III. **Post Retirement Medical Benefit (PRMBS)**: Post Retirement Benefit medical scheme provides medical benefit to retired employees and eligible dependent family members. This long term employee benefit is administered through a Trust. The liability towards Post-Retirement Medical Benefit for employees is ascertained, yearly, based on the actuarial valuation and funded to the Trust.

On reporting date, the Trust Investments included few Non-convertible Debentures of certain Companies, amounting to ` 99.50 Crore (31.03.2020: ` 99.50 Crore) which have witnessed default in meeting interest & or principal obligations in 2019-20, which continued in 2020-21. In anticipation of probable default in principal repayment, these investments were marked down by 70% in Books in 2019-20, which continues to be the true and fair valuation as of 31.03.2021 as per management assessment. The diminution in Trust Investments are factored in the actuarial valuation while ascertaining the liability for the Corporation. Thus, no additional provision (2019-20: ` 69.65 Crore) is warranted during this financial year, to be charged to Statement of Profit and Loss in compliance with Ind AS 19.

- IV. Ex-gratia :** The ex-employees of Corporation are covered under the Scheme, entitling to get ex-gratia, determined based on their salary grade at the time of their superannuation. The benefit is paid to eligible employees till their survival, and thereafter till the survival of their spouse. However, none of the current serving employees are covered under this Plan.
- V. Resettlement Allowance :** Upon superannuation from the services of the Corporation, there are employees who permanently settle down at a place other than the location of the last posting. Such employees are provided with resettlement allowance as per policy of the Corporation.
- VI. Interest rate on funds retained in LIC:** The employees of the Corporation are entitled to certain leave as per policy. The liability of the Corporation is determined annually through actuarial valuation and funded with Life Insurance Corporation of India (LIC).
- VII. Others:** The expected return on plan assets is based on market expectation over the entire life of the related obligation. The actuarial assumption with regard to future salary escalation takes into consideration, the factors such as inflation, seniority, promotion, demand & supply in the employment market.

VIII. Figures in italics represent last year figures

70. As on 31.03.2021, the Corporation has an inventory of Non-Solar Renewable Energy Certificates numbering 35041 Units (31.03.2020: 69256), available for Sale after earmarking a requisite quantity already for captive consumption. The revenue from Certificates is recognized as and when the same are sold. The Central Electricity Regulatory Commission has fixed a floor price of ` NIL and a ceiling price of ` 1000/- per certificate in which range, it could be sold in Indian Energy Exchange Ltd., wherein it is traded. Aggrieved by the decision of NIL floor price, Green Energy Association has filed a petition in the Appellate Tribunal for Electricity (APTEL) and Tribunal has halted trading of these Certificates, until final disposal of the petition.

71. Previous periods figures are regrouped / reclassified wherever necessary.



HINDUSTAN PETROLEUM CORPORATION LIMITED

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

The preparation of financial statements of Hindustan Petroleum Corporation Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013, (the Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 20 May 2021.

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

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

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

Sd/-

C.M.Sane

Director General of Commercial Audit, Mumbai

Place: Mumbai

Date: 26 July 2021



HINDUSTAN PETROLEUM CORPORATION LIMITED

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

CORPORATE OVERVIEW

Hindustan Petroleum Corporation Limited referred to as “HPCL” or “the Corporation” or ‘the Parent Company’ was incorporated on 5th July, 1952. HPCL is a Government of India Enterprise listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, with ONGC holding 51.11% of Equity Shares with effect from January 31, 2018, increased further to 53.64% as of March 31, 2021, pursuant to ongoing shares buy-back as on reporting date. The Corporation and its Subsidiaries are together referred to as “Group”, mainly engaged in the business of refining of crude oil and marketing of petroleum products, production of hydrocarbons and providing services for management of E&P Blocks, manufacturing of ethanol, sugar and generation of power and operating Liquefied Natural Gas (LNG) regasification terminal (under construction phase).

Authorization of Consolidated Financial Statements

The Consolidated Financial Statements were authorized for issuance in accordance with a resolution of the directors on May 20, 2021 (refer Note 62).

1. Basis of preparation:

- 1.1 The Consolidated Financial Statements (CFS) relates to the parent company, Hindustan Petroleum Corporation Limited (HPCL), its subsidiary companies and its interest in Joint Ventures and Associates.

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant Provisions of Companies Act, 2013 and Rules thereunder.

The Consolidated Financial Statements have been prepared under historical cost convention basis except for certain assets and liabilities measured at fair value.

The Group’s presentation currency is INR, which is also the functional currency of the Corporation. All values are rounded to the nearest Crore (₹ Crore), except where otherwise indicated.

Use of Judgement and Estimates

The preparation of the Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated Financial Statements are as below:

- Assessment of functional currency;
- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligation, key actuarial assumptions;
- Provisions and Contingencies; and
- Evaluation of recoverability of deferred tax assets.

Revisions to accounting estimates are recognized prospectively in the Consolidated Financial Statements in the period in which the estimates are revised and in any future periods affected.

1.2 Principles of Consolidation

The Consolidated Financial Statements are prepared, as far as possible, using uniform significant accounting policies for the like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as HPCL's separate financial statements.

The Financial Statements of HPCL and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, the intra group balance and intra group transactions and unrealised profits or losses resulting from intra group transactions are eliminated.

The financial statements of Joint Ventures and Associates have been consolidated using equity method whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income after eliminating unrealised profits or losses.

Figures pertaining to the Subsidiary Companies/Joint Ventures/ Associates have been reclassified, wherever necessary, to conform to the parent company, HPCL's Financial Statements.

1.3 Companies included in Consolidation

The Consolidated Financial Statements comprise of the Audited Financial Statements (except as mentioned otherwise) of HPCL, its Subsidiaries, Joint ventures and Associates for the year ended 31st March 2021, which are as under;

Name of the Company	Country of Incorporation	HPCL's Ownership Interest	
		31.03.2021	31.03.2020
(i) Subsidiaries (refer note no. 1.3.1)			
HPCL Biofuels Ltd. (HBL)	India	100.00%	100.00%
Prize Petroleum Company Ltd. (PPCL) (refer note no 1.3.2)	India	100.00%	100.00%
HPCL Middle East FZCO (HMEFZCO)	Dubai	100.00%	100.00%
HPCL Shapoorji Energy Pvt Ltd. (HSEPL) (refer note no 1.3.3)	India	100.00%	50.00%
(ii) Joint Ventures			
HPCL Rajasthan Refinery Ltd. (HRRL)	India	74.00%	74.00%
HPCL - Mittal Energy Ltd. (HMEL) (refer note no 1.3.2)	India	48.99%	48.99%
Hindustan Colas Pvt. Ltd. (HINCOL) (refer note no 1.3.2)	India	50.00%	50.00%
South Asia LPG Co. Pvt. Ltd. (SALPG)	India	50.00%	50.00%
Bhagyanagar Gas Ltd. (BGL)(refer note no. 1.3.4)	India	48.73%	24.99%
Godavari Gas Pvt Ltd. (GGPL)(refer note no 1.3.6)	India	26.00%	26.00%
Petronet India Ltd. (PIL)	India	16.00%	16.00%
Petronet MHB Ltd. (PMHBL)	India	50.00%	50.00%
Aavantika Gas Ltd. (AGL)	India	49.99%	49.99%
Mumbai Aviation Fuel Farm Facility Pvt. Ltd. (MAFFFL)	India	25.00%	25.00%
Ratanagiri Refinery & Petrochemicals Ltd. (RRPL)	India	25.00%	25.00%
HPOIL Gas Pvt Ltd. (HOGPL)	India	50.00%	50.00%
IHB Pvt. Ltd. (IHBPL)	India	25.00%	25.00%
(iii) Associates			
Mangalore Refinery and Petrochemicals Ltd. (MRPL) (refer note no 1.3.2)	India	16.96%	16.96%
GSPL India Gasnet Ltd. (GIGL) (refer note no 1.3.6)	India	11.00%	11.00%
GSPL India Transco Ltd. (GITL) (refer note no 1.3.6)	India	11.00%	11.00%



- 1.3.1 The Corporation has four subsidiaries: Prize Petroleum Company Ltd. together with its subsidiary is engaged in the business of exploration & production of hydrocarbons and providing services for management of E&P Blocks. HPCL Biofuels Ltd is engaged in the business of manufacturing ethanol and sugar from crushing of sugarcane and generation of power from the bagasse generated in the process. HPCL Middle East FZCO, a Free Zone Company under Dubai Airport Free Zone is engaged in trading in Lubricants & Grease, Petrochemicals and Refined Oil Products in Middle East and Africa. HPCL Shapoorji Energy Private Limited is engaged in the construction of facilities to operate and maintain a Liquefied Natural Gas (LNG) regasification terminal at Chhara Port in Gir Somnath, District of Gujarat.
- 1.3.2 In the preparation of Consolidated Financial Statements for the Group, the Consolidated Financial Statements of the following Companies have been considered.:
- Mangalore Refinery and Petrochemical Limited (MRPL) having one subsidiary namely ONGC Mangalore Petrochemicals limited (MRPL's holding as on 31.03.2021: 100%, [31.03.2020: 51%]) and one joint venture namely Shell MRPL Aviation Fuels and Services Limited (MRPL's holding as on 31.03.2021:50%).
 - Prize Petroleum Company Limited having one wholly owned subsidiary, namely Prize Petroleum International PTE Limited.
 - HPCL – Mittal Energy Limited having one wholly owned subsidiary, namely HPCL – Mittal Pipelines Limited.
 - Hindustan Colas Private Limited (HINCOL) having one joint venture namely Dust-A-Side Hincol Limited (HINCOL's holding as on 31.03.2021: 50%).
- 1.3.3 HPCL Shapoorji Energy Private Limited (HSEPL), a joint venture company with 50:50 ownership with SP Ports Private Limited (SPPPL) was incorporated in October 2013 to set up and operate an Liquefied Natural Gas (LNG) regasification terminal at greenfield port of Chhara, Gir Somnath District, Gujarat. On October 12, 2020, SPPPL has issued 'Right of First Offer Notice' for sale of their entire holding in HSEPL. On March 30, 2021, the Corporation acquired the entire shares held by SPPPL. Upon the acquisition, HSEPL has become a wholly owned subsidiary of HPCL. The business acquisition was conducted by way of entering into a share purchase agreement with SPPPL and a consideration of ₹ 397.07 Crore was paid in cash. The setting up of LNG Terminal through a wholly owned subsidiary is expected to be cost effective and provide marketing flexibility. The purchase price has been allocated based on the Management's estimates of fair values, as follows:

(₹ / Crore)		
Component	Acquiree's carrying amount	Fair value adjustments
Non-Current Assets		
• Property, Plant and Equipment	103.75	-
• Capital Work-in-Progress	1074.24	-
• Other Intangible Assets	0.01	-
• Financial Assets	0.25	-
• Other Non-Current Assets	294.46	-
Current Assets		
• Financial Assets ²	14.97	-
• Current Tax Assets (Net)	0.10	-
• Other Current Assets	14.65	-
Non-Current Liabilities		
• Provisions	0.17	-
• Other Financial Liabilities ³	109.83	-
Current Liabilities		
• Financial Liabilities ⁴	859.16	-
• Other Current Liabilities	8.50	-
• Provisions	0.02	-
Fair Value of Assets acquired less Liability Assumed (A)	524.75	-

(₹ / Crore)

Component	Amount
Consideration Transferred (B)	397.07
Acquisition date fair value of existing equity interest (C)	432.60
Goodwill (B+ C-A)	304.92

1. Includes ₹ 293.56 Crore towards Capital Advance & Balance with Government Authorities.
2. Includes ₹ 14.93 Crore towards Cash, Cash Equivalent & Other Bank Balances.
3. Includes ₹ 109.83 Crore towards Lease Obligations.
4. Includes ₹ 849.29 Crore payable towards Capital expense creditors.

- a. In the Energy space, the thrust of Government is providing clean fuels. The share of Natural Gas in the Energy basket of the Nation, which is at 6% now, is proposed to be leapfrogged to 15%. The Corporation does not have stake in any of the 6 operational LNG Re-gasification terminals in the country. In an opportune moment such as now, when the Joint Venture Partner has issued 'Right of First Offer Notice' for sale of their holding, it is taken advantage of as setting up another Greenfield in this space involves considerable time and effort. The Corporation together with its group Companies have captive consumption of Natural Gas, there are LNG Retail Stations coming up, piloting of which is ongoing, setting up of LCNG Stations is under consideration, all of these would make LNG regasification terminal, a very attractive business proposition and long term value to the Corporation.
- b. An amount of ₹ 0.07 Crore has been incurred towards acquisition related cost, which has been charged to the Statement of Profit and Loss under 'Note No. 37 Other Expenses'.
- c. Fair value of equity interest in the HSEPL held by the Corporation, immediately before the acquisition date is ₹ 432.60 Crore and an amount of ₹ 158.99 Crore has been recognized as gain as a result of re-measuring to the fair value the equity interest in the HSEPL held by Corporation and is grouped under 'Note No. 32 Other Income'.
- d. The Consolidated Net Profit before Tax includes an amount of ₹ 0.02 Crore of loss of the HSEPL as subsidiary. Had the business combination occurred as of 01.04.2020, Consolidated Net Profit before Tax would have been higher by ₹ 3.97 Crore.

1.3.4 As of 31st March 2014, Bhagyanagar Gas Ltd. (BGL) had a paid up equity capital of ₹ 5 lakhs, in which HPCL and GAIL were holding 24.99% each and the balance 50.02% of shares were held by Kakinada Seaports Ltd (KSPL) on warehousing basis. In addition, HPCL and GAIL had paid ₹ 22.49 Crore each as Advance against Equity / Share application money (totaling to ₹ 44.98 Crore). On 20th August 2014, BGL allotted 2,24,87,500 shares on preferential basis to each of HPCL and GAIL towards the money paid earlier. Accordingly, the Corporation's shareholding in BGL had increased to 48.73%. KSPL challenged this in the Company Law Board (CLB), Chennai Bench which dismissed it on 14th September 2014. Against this, KSPL moved the High Court, Telangana, which did not stay the dismissal order of CLB. Pending adjudication of the appeal by KSPL before the High Court, for the purpose of preparation of Consolidated Financial Statements (CFS), the shareholding was considered at 24.99% till 31st March 2020. At its AGM held on 29th September 2020, BGL declared maiden final dividend for FY 2019-20. Accordingly, HPCL received the same on its stake of 48.73% in the company which has been considered in the Standalone Financial Statements. Though KSPL's appeal is sub judice, taking all facts into consideration, HPCL's stake in BGL is now considered at the actual shareholding of 48.73% for the purpose of CFS which is consistent with the Articles of Association of BGL. Had BGL continued to be consolidated at 24.99%, share of consolidated net profit from BGL for the financial year 2020-21 would have been lower by ₹ 23.01 Crore.

1.3.5 Ujjwala Plus Foundation, a joint venture of Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Ltd (HPCL) with fund contribution in the ratio 50%: 25%: 25%, respectively was incorporated on 21st July, 2017 as a not-for-profit Private Company Limited by Guarantee (without Share Capital) under Section 8 of the Companies Act 2013. Ujjwala Plus Foundation has not been considered for consolidation being a not-for-profit company.

1.3.6 Unaudited (Management Certified) Financial Statements have been considered.



2. Significant Accounting Policies

2.1. Property, Plant and Equipment

- 2.1.1. Freehold lands are carried at cost. All other items of Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- 2.1.2. The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes); any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by management; initial estimated present value of any of any contractual decommissioning obligation; and borrowing cost for qualifying assets (i.e., assets that necessarily take a substantial period of time to get ready for their intended use).
- 2.1.3. Technical know-how / licence fee relating to plants / facilities are capitalized as part of cost of the underlying asset.
- 2.1.4. Expenditure during construction period: Direct expenses incurred during construction period on capital projects are capitalised.
- 2.1.5. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Corporation.
- 2.1.6. Spare parts which are meeting the requirement of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit and Loss on consumption.
- 2.1.7. An item of Property, Plant and Equipment and any significant part initially recognised separately as part of Property, Plant and Equipment is derecognised upon disposal; or when no future economic benefits are expected from its use or disposal; or when the Property, Plant Equipment has been re-classified as ready for disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised.
- 2.1.8. The residual values and useful lives of Property, Plant and Equipment are reviewed during each financial year and changes are accounted for as change in accounting estimates on a prospective basis.
- 2.1.9. The Corporation has chosen the carrying value of Property, Plant and Equipment existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April, 2015 as deemed cost.

2.2. Depreciation / amortization

- 2.2.1. Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Corporation has assessed the estimated useful lives of its Property, Plant & Equipment and has adopted the useful lives and residual value as prescribed in Schedule II except for the following:

Useful Life (Basis internal technical assessment):

Plant and Machinery relating to Retail Outlets (other than Storage tanks and related equipment)	15 years
Cavern Structure	60 years
LPG cylinders & regulators (excluding cylinders held for sale)	15 years
CNG Compressors	10 years
CNG Cascades and SS tubing in CNG Stations	20 years

Residual Value (Basis historical data):

LPG cylinder and pressure regulator	15% of original cost
Catalyst with noble metal content	90% of original cost of noble metal content

- 2.2.2. The Corporation depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components is assessed by considering historical experience, internal technical inputs and any other relevant factor.
- 2.2.3. Items of Property, Plant and Equipment costing not more than the threshold limit are depreciated at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators (excluding cylinders held for sale) which are depreciated over a useful life of 15 years based on the technical assessment.
- 2.2.4. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.
- 2.2.5. Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

2.3. Intangible assets

- 2.3.1. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding development costs, are not capitalised and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Development costs are capitalised if technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Corporation has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.
- 2.3.2. Assets where entire output generated is committed to be sold to a public sector entity (including Government body) for almost entire useful life of the asset are classified as intangible assets as per the requirements of Ind AS and are amortised (after retaining the residual value, if applicable) over their useful life.
- 2.3.3. In cases where, the Corporation has constructed assets and the Corporation has only a preferential right to use, these assets are classified as intangible assets and are amortised (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.
- 2.3.4. The useful lives of intangible assets are assessed as either finite or indefinite.
- 2.3.5. Intangible assets with finite lives are amortised on straight line basis over their useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year end. The amortisation expense on intangible assets with finite lives and impairment loss is recognised in the statement of Profit & Loss.
- 2.3.6. Intangible assets with indefinite useful lives, such as 'right of way' which is perpetual and absolute in nature, are not amortised, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognised in the Statement of Profit and Loss.
- 2.3.7. Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets.
- 2.3.8. Estimated lives of intangible assets (acquired) are as follows:
- Software: 2 to 4 years
 - Technical know how / license fees: 2 to 15 years
 - Right of use – wind mills: 22 years
- 2.3.9. The Corporation has chosen the carrying value of Intangible Assets existing as per previous GAAP as on date of transition to Ind AS i.e., 1st April 2015 as deemed cost.



2.4. Borrowing Cost

- 2.4.1. Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange rate variation to the extent regarded as an adjustment to interest cost.
- 2.4.2. Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset till the month in which the asset is ready for intended use. All other borrowing costs are expensed in the period in which they are incurred.

2.5. Non-currents assets held for sale

- 2.5.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met, only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.
- 2.5.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.
- 2.5.3. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortized.

2.6. Leases

Wherever a Contract conveys the right to control the Use of an identified Asset by either of the PARTIES for a period of time and in exchange for consideration, there arises a Lease Contract. At inception of every Contract, the Corporation examines the existence to the lease elements in a Contract and thereafter carries out appropriate accounting either as Lessor or Lessee.

2.6.1 Lessee:

At the commencement of the lease, the Corporation recognises right-of-use asset and lease liability, with an exception of short-term leases or lease of low-value underlying assets. The right-of-use asset is measured at cost, made up of the initial measurement of the lease liability, initial direct costs, an estimate of dismantling cost including removal of the asset at the end of the lease and any lease payments on or before commencement (net of any incentives received) of the lease.

The lease liability is measured at Present Value of the lease payments to be made during the course of the lease by using incremental borrowing rate that prevail at the beginning of each quarterly period for a similar tenure (such as AAA Corporate Bond rates for varying tenures of 5, 10 & 15 years) for all of the contracts executed in that period. The variable lease payments, which do not depend on an index or a rate, are excluded from the measurement of lease liability.

The Corporation has elected not to separate non-lease components in a contract and account as one unified lease contract covering all underlying assets by using the practical expedient prescribed in the Standard.

On re-measurement of lease liability, the right-of-use asset is suitably readjusted unless such readjustment lead to a restatement of carrying value below zero, in which case, the resultant amount is directly routed through Statement of Profit & Loss Account.

2.6.2 Lessor:

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. In all other cases, it is treated as operating lease.

2.7. Impairment of Non-Financial Assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment.

An impairment loss is recognised whenever the carrying amount of assets of cash generating unit (CGU) exceeds their recoverable amount.

2.8. Inventories

2.8.1. Valuation of inventories (including in transit) of different categories is as under:

- a) Crude oil is valued at cost on First in First Out (FIFO) basis or at net realisable value, whichever is lower. Crude oil is not written down below cost except in cases where their prices have declined subsequently and it is estimated that the cost of the finished goods will exceed their net realisable value.
- b) Raw materials for lubricants are valued at weighted average cost or at net realisable value, whichever is lower.
- c) Stock-in process is valued at raw material cost plus cost of conversion or at net realisable value, whichever is lower.
- d) Finished products other than Lubricants are valued at cost (on FIFO basis month-wise) or at net realisable value, whichever is lower.
- e) Finished products (lubricants) are valued at weighted average cost or at net realisable value, whichever is lower.
- f) Empty packages are valued at weighted average cost.
- g) Stores and spares which do not meet the recognition criteria under Property, Plant and Equipment are valued at weighted average cost. Surplus, obsolete and slow moving stores and spares, if any, are valued at cost or net realizable value whichever is lower. Surplus items, when transferred from completed projects are valued at cost / estimated value, pending periodic assessment / ascertainment of condition. Stores and Spares in transit are valued at cost.

2.8.2. Customs duty on Raw materials/Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee.

2.8.3. Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on applicable duty.

2.8.4. The net realisable value of finished goods and stock in trade are final selling prices for sales to oil marketing companies and depot prices applicable to the locations. For the purpose of stock valuation, the proportion of sales to oil marketing companies and consumer sales are determined on location wise and product wise sales of subsequent period.

2.9. Revenue recognition

2.9.1. Sale of goods

Revenue is recognised when:

- a) The Corporation satisfies a performance obligation by transferring control of a promised goods / services to a customer;
- b) Transaction price is allocated on each performance obligation and is recognised as and when the particular performance obligation is satisfied either at a point in time or over a period of time;
- c) The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer including excise duties, as applicable and is measured at the fair value of the consideration received or receivable, net of returns, taxes or duties collected on behalf of the government and trade discounts or rebates, as applicable;
- d) It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Revenue is allocated between Loyalty Programs and other components of the sale. The amount allocated to the Loyalty Program is deferred, and is recognised as Revenue when the Corporation has fulfilled its obligation to supply the products under the terms of the Program or when it is no longer probable that the points under the Program will be redeemed.



Where the Corporation acts as an agent on behalf of a third party, the associated Revenue is recognised on a net basis.

Claims, including subsidy on Liquefied Petroleum Gas (LPG) and Superior Kerosene Oil (SKO), from Government of India, are booked on in-principle acceptance thereof on the basis of available instructions / clarifications, subject to final adjustments as stipulated.

2.9.2 Interest income is recognised taking into account the amount outstanding and the applicable effective interest rate.

2.9.3 Dividend is recognised when right to receive the payment is established.

2.10. Accounting / classification of expenditure and income

2.10.1. Income / expenditure in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively.

2.10.2. Prepaid expenses upto threshold limit in each case, are charged to revenue as and when incurred.

2.10.3. Insurance claims are accounted on acceptance basis.

2.10.4. All other claims / entitlements are accounted on the merits of each case.

2.10.5. Raw materials consumed are net of discount towards sharing of under-recoveries.

2.11. Employee benefits

2.11.1. Short-term employee benefit

Short term employee benefits are recognized as an expense at undiscounted amount in the Statement of Profit & Loss of the year in which the related services are rendered by the employees.

2.11.2. Post-employment benefits

Defined Contribution Plans:

Obligations for contributions to defined contribution plans are expensed in the Statement of Profit & Loss of the year in which the related services are rendered by the employees.

Defined Benefit Plans:

Post-employment benefits

Liability towards defined employee benefits (gratuity, pension, post – retirement medical benefits, ex-gratia and resettlement allowance) are determined on actuarial valuation by independent actuaries at the year-end by using Projected Unit Credit method.

Re-measurements of the net defined benefit liability, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income.

Other long-term employee benefits

Liability towards other long term employee benefits (leave encashment, long service awards, provident fund contribution to trust and death benefits) are determined on actuarial valuation by independent actuaries using Projected Unit Credit method.

Re-measurements gains and losses are recognized in the Statement of Profit and Loss in the period in which they arise.

2.11.3. Termination benefits

Expenditure on account of Voluntary Retirement Schemes, are charged to Statement of Profit & Loss, as and when incurred.

2.12. Foreign currency transactions**2.12.1. Monetary items**

Transactions in foreign currencies are initially recorded at the respective exchange rates prevailing at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognised in Statement of Profit and Loss either as 'Exchange Rate Variation' or as 'finance costs' (to the extent regarded as an adjustment to borrowing costs), as the case maybe.

In case of long term foreign currency monetary items outstanding as of 31st March 2016, foreign exchange differences arising on settlement or translation of long term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in case of other long term foreign currency monetary items, if any, accumulated in 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the balance period of the asset / liability.

2.12.2. Non – Monetary items

Non-monetary items, other than those measured at fair value, denominated in foreign currency, are valued at the exchange rate prevailing on the date of transaction.

2.13. Investment in Subsidiary, associates and joint ventures

Investments in equity shares of Subsidiaries, Joint Ventures & Associates are recorded at cost and reviewed for impairment at each reporting date.

The Corporation has chosen the carrying value of the investment in Subsidiaries, associates and joint ventures existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April 2015 as deemed cost.

2.14. Government Grants

2.14.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

2.14.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

2.14.3. When the grant relates to property, plant and equipment, the cost of property, plant and equipment is shown at gross value and grant thereon is treated as liability (deferred income) and are credited to statement of profit and loss on a systematic basis over the useful life of the asset.

2.15. Exploration & production expenditure

"Successful Efforts Method" of accounting is followed for Oil & Gas exploration and production activities as stated below:

2.15.1. Cost of surveys, studies, carrying and retaining undeveloped properties are expensed out in the year of incurrence.

2.15.2. Cost of acquisition, drilling and development are treated as Capital Work-in-Progress when incurred and are capitalised when the well is ready to commence commercial production.

2.15.3. Accumulated costs on exploratory wells in progress are expensed out in the year in which they are determined to be dry.

2.15.4. The proportionate share in the assets, liabilities, income and expenditure of joint operations are accounted as per the participating interest in such joint operations.



2.16. Provisions and contingent liabilities

- 2.16.1. Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- 2.16.2. If the effect of the time value of money is material, provisions are discounted using an appropriate discount rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- 2.16.3. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Corporation, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.
- 2.16.4. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- 2.16.5. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit.
- 2.16.6. Contingent Liabilities are considered only when show-cause notice is converted into demand.

2.17. Fair value measurement

- 2.17.1. Fair value is the price that would be received/ paid to sell an asset or to transfer a liability, as the case may be, in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Corporation has access at that date. The fair value of a liability also reflects its non-performance risk.
- 2.17.2. While measuring the fair value of an asset or liability, the Corporation uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

Financial Instruments

2.18. Financial Assets

2.18.1. Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

2.18.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Corporation classifies financial assets (other than equity instruments) as under:

- (a) subsequently measured at amortised cost;
- (b) fair value through other comprehensive income; or
- (c) fair value through profit or loss

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is:

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise or specify dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial recognition, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method and such amortization is recognised in the Statement of Profit and Loss.

Debt instruments at Fair value through profit and loss (FVTPL)

Fair value through profit and loss is a residual category for measurement of debt instruments.

After initial measurement, any fair value changes including any interest income, impairment loss and other net gains and losses are recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Corporation decides to classify the same either as at FVOCI or FVTPL. The Corporation makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all fair value changes being recognized in the Statement of Profit and Loss.

2.18.3. Impairment of financial assets

In accordance with Ind-AS 109, the Corporation applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date.

2.19. Financial Liabilities**2.19.1. Initial recognition and measurement**

All financial liabilities (not measured subsequently at fair value through profit or loss) are recognised initially at fair value net of transaction costs that are directly attributable to the respective financial liabilities.

2.19.2. Subsequent measurement

The Corporation classifies all financial liabilities as subsequently measured at amortised cost by using the Effective Interest Rate Method ("EIR") and such amortisation is recognised in the Statement of Profit and Loss.



2.20. Financial guarantees

Financial guarantee contracts are recognised initially at fair value. Subsequently on each reporting date, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

2.21. Derivative financial instruments

The Corporation uses derivative financial instruments, such as forward contracts, interest rate swaps to mitigate its foreign currency risk, interest risk and commodity price risk arising out of highly probable forecast transactions and are presented in Financial Statements, either as Financial Assets or Financial liabilities as the case may be.

2.21.1. Derivatives Contracts designated as hedging instruments:

Wherever Hedge Accounting is undertaken, at the inception of a hedge relationship, the Corporation formally designates and documents a) the hedge relationship to which it wishes to apply hedge accounting and b) the risk management objective and strategy. In such cases, the derivative financial instruments are recognized at fair value with due assessment to effectiveness of the hedge instrument. By following Cash Flow Hedges, the effective portion of changes in the fair value is recognized in Other Comprehensive Income (OCI) and accumulated under Cash Flow Hedge Reserve within Other Equity whereas the ineffective portion, if any, is recognized immediately in the Statement of Profit and Loss and presented under Other Income or Other Expenses, as the case may be. The effective portion, previously recognized in OCI and accumulated as Cash Flow Hedge Reserve is reclassified to the Statement of Profit and Loss in the subsequent period, during which, the hedged expected future cash flows affect profit or loss and further guided to the same line item to which the underlying is accounted. Further, in case of previously recognized forecasted transaction, upon the knowledge of its non-occurrence, the effective portion of cumulative gain or loss is forthwith recognized by transferring from Cash Flow Hedge Reserve to the Statement of Profit and Loss. If the amount accumulated in Cash Flow Hedge Reserve is a loss and Corporation expects that all or a portion of that loss will not be recovered in one or more future period, the Corporation immediately reclassifies the amount that is not expected to be recovered into profit or loss as a reclassification adjustment. The hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

2.21.2. Derivatives Contracts not designated as hedging instruments

The derivative financial instruments are accounted at fair value through Profit or Loss and presented under Other Income or Other Expenses, as the case may be.

2.22. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.23. Taxes on Income

2.23.1. Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

2.23.2. Deferred tax liability/asset on account of temporary difference is recognised using tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date.

2.23.3. Deferred tax assets are recognised and carried forward for all deductible temporary differences only to the extent that it is probable that taxable profit will be available in future against which the deductible temporary difference can be utilized.

2.23.4. The carrying amount of deferred tax assets/Liabilities is reviewed at each Balance Sheet date.

2.23.5. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, is considered as an asset when it is probable that the future economic benefits associated with it, will flow to the Corporation.

2.24. Earnings per share

- 2.24.1. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.
- 2.24.2. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

2.25. Cash and Cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.26. Cash Flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated. For the purpose of the Statement of Cash Flows, cash and cash equivalent consist of cash, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Corporation's cash management.

2.27. Business combination

The acquisition method of accounting is used to account for business combination by the Group. In this method, acquiree's identifiable assets, liabilities and contingent liabilities that meet condition for recognition are recognized at their fair values at the acquisition date. Non-controlling interest is measured at proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired. The transaction costs incurred in connection with business combination are recognised in the consolidated statement of profit and loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed off.



3. Property, Plant and Equipments

The following are the carrying values of Property, Plant & Equipments:

(₹ / Crore)											
Particulars	Land - Freehold	Right-of-Use Assets [#]	Buildings	Plant & Equipment	Furniture & Fixtures	Transport Equipment	Office Equipment	Roads and Culverts	Railway Siding & Rolling Stock	E&P Assets	Total
Gross Block											
As on 01.04.2020	1,043.06	3,503.23	6,788.32	42,714.07	272.94	144.91	3,472.75	3,324.82	470.15	663.92	62,398.17
Additions	60.46	634.58	618.86	2,878.08	35.74	21.50	446.41	360.66	46.43	17.30	5,120.02
Additions - Business Combination (refer Note 1.3.3)	-	103.47	0.09	-	0.05	-	0.13	-	-	-	103.74
Deductions/ Reclassifications	(8.13)	20.74	5.79	158.36	13.18	1.38	23.25	3.64	-	22.61	240.82
As on 31.03.2021	1,111.65	4,220.54	7,401.48	45,433.79	295.55	165.03	3,896.04	3,681.84	516.58	658.61	67,381.11
Depreciation/ Amortisation											
As on 01.04.2020	-	173.36	755.48	8,938.40	102.68	61.78	1,632.50	1,670.85	121.37	550.18	14,006.60
For the year	-	214.58	194.73	2,273.78	30.32	15.23	439.81	373.20	33.31	36.45	3,611.41
Deductions/ Reclassifications	-	12.55	2.05	123.92	5.43	0.76	20.64	2.75	-	19.38	187.48
As on 31.03.2021	-	375.39	948.16	11,088.26	127.57	76.25	2,051.67	2,041.30	154.68	567.25	17,430.53
Net Block as on 01.04.2020	1,043.06	3,329.87	6,032.84	33,775.67	170.26	83.13	1,840.25	1,653.97	348.78	113.74	48,391.57
Net Block as on 31.03.2021	1,111.65	3,845.15	6,453.32	34,345.53	167.98	88.78	1,844.37	1,640.54	361.90	91.36	49,950.58

[#] refer note 42

Notes:

- Includes assets costing ` 0.007 Crore /- (31.03.2020 : ` 0.007 Crore) of erstwhile Kosan Gas Company that have not been handed over to the Corporation. Though Kosan Gas Company was to give up their claim, in view of the tenancy right sought by third party, the matter is under litigation.
- Includes ` 810.28 Crore (31.03.2020: ` 799.55 Crore) towards Land, Building, Plant & Equipment, Furniture & Fixtures, Transport equipments, Office Equipments, Pipelines, Railway Sidings, etc. representing Company's Share of Assets, jointly owned with other Companies.
- Includes ` 32.25 Crore (31.03.2020 : ` 32.35 Crore) towards Roads & Culverts, Transformers & Transmission lines, Railway Sidings & Rolling Stock for which though ownership does not vest with the Company, operational control over such assets is exercised. These assets are amortized as per useful life specified in Schedule II of Companies Act, 2013.
- a) Includes following assets used for distribution of PDS Kerosene under Jana Kalyan Pariyojana against which financial assistance had been provided by Oil Industry Development Board:

Description	Original Cost (` / Crore)	
	31.03.2021	31.03.2020
Roads & culverts	0.13	0.13
Buildings	1.58	1.62
Plant & Equipment	2.07	2.09
Total	3.78	3.84

- Includes following assets held under PAHAL (DBTL) scheme against which financial assistance had been provided by Ministry of Petroleum & Natural Gas, Government of India:

Description	Original Cost (` / Crore)	
	31.03.2021	31.03.2020
Computer Software	7.49	7.49
Computers/ End use devices	5.65	5.65
Office Equipment	0.01	0.01
Automation, Servers & Networks	1.55	1.55
Total	14.70	14.70

5. Assets held for sale consists of items such as Plant and equipment, office equipment, transport equipment, buildings, furnitures and fixtures and roads and culverts which have been identified for disposal due to replacement/ obsolescence of assets which happens in the normal course of business. These assets are expected to be disposed off within the next twelve months. On account of classification of these assets as 'Asset held for sale', an loss of ` 13.92 Crore during the year (2019-20: ` 17.97 Crore) has been recognised in the statement of profit and loss.
6. Includes Right of Use Assets having Gross value ` 19.38 Crore (31.03.2020: ` 27.57 Crore) for land acquired on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB), that has not been amortized over the period of lease in view of freehold title that would vest upon fulfilment of certain terms and conditions, as per allotment letter.
7. Includes adjustment to Cost of Assets pursuant to exchange differences arising on long term foreign currency monetary items, which, in accordance with Para 7AA of Ind AS 21 read with Para D13AA of Ind AS 101 are capitalized and depreciated over the balance useful life of the assets.
8. The Group has considered pipeline assets laid within the boundary limit of its premises as integral part of Tanks / Other Plant and Machinery and have been depreciating such assets based on the useful life of associated Plant & Equipment, in line with the Schedule II of the Companies Act, 2013.
9. Includes assets of ` 1.03 Crore (31.03.2020: ` 1.20 Crore) forming part of Plant & Equipment, Buildings & Roads & Culverts, wherein though Infrastructure Facilities were provided at Railway Premises, no sales transactions were entered into during current financial year.
10. Assets of ` 0.02 Crore (31.03.2020 : ` 0.03 Crore) comprising 3 number of properties (31.03.2020 : 4) towards which title deeds for freehold/leasehold are not available and further for assets of ` 2.25 Crore (31.03.2020 : ` 2.27 Crore) comprising of 13 number of properties (31.03.2020 : 14) for which property tax receipts are available. Further in case of land taken on lease from Vishakhapatnam Port Trust (VPT) Legal formalities of registration of lease deed is pending in 36 cases having Gross block as at 31.03.2021 ` 593.45 Crore and Net Block as at 31.03.2021 ` 543.09 Crore.
11. The process of capitalization in respect of Property, Plant and Equipment including accounting of Capital Work-in-Progress is under continuous review and updation, wherever required, is being carried out on a regular basis.

4. Capital Work-in-Progress

	(` / Crore)	
	31.03.2021	31.03.2020
Unallocated Capital Expenditure and Materials at Site	22,186.53	15,314.38
Capital Stores lying with Contractors	954.45	494.25
Capital goods in transit	0.13	17.34
A	23,141.11	15,825.97
Construction period expenses pending apportionment (Net of recovery):		
Opening balance	1,220.54	618.67
Add: Expenditure during the year		
Establishment charges including Salaries & Wages	149.75	227.70
Interest	717.21	758.90
Loss / (gain) on foreign currency transactions and translations	(70.21)	206.79
Others	3.95	0.11
	2,021.24	1,812.17
Less: Allocated to assets capitalised / charged off during the year	33.72	590.80
Closing balance pending allocation	1,987.52	1,221.37
A + B	25,128.63	17,047.34



5. Goodwill on Consolidation

		(₹ / Crore)	
		31.03.2021	31.03.2020
Cost or deemed cost			
Opening Balance		16.69	16.69
Additions during the year (refer Note 1.3.3)		304.92	-
Effect of exchange difference		-	-
Total	A	321.61	16.69
Less: Accumulated Impairment			
Opening Balance		-	-
Additions during the year		-	-
Effect of exchange difference		-	-
Total	B	-	-
Carrying amount of goodwill on consolidation	A - B	321.61	16.69

5A. Intangible Assets

The following are the carrying values of Intangible Assets:

		(₹ / Crore)			
Particulars	Right of Way	Technical / Process Licenses	Software	Wind Energy	Total
Gross Block					
As on 01.04.2020	347.99	67.37	117.67	188.56	721.59
Additions	123.07	-	6.63	0.29	129.99
Additions - Business	-	-	0.01	-	0.01
Combination (refer Note 1.3.3)	-	-	-	-	-
Deductions / Reclassifications	-	-	-	-	-
As on 31.03.2021	471.06	67.37	124.31	188.85	851.59
Depreciation/ Amortisation					
As on 01.04.2020	0.05	44.07	82.55	51.40	178.07
For the year	0.28	5.05	18.06	10.42	33.81
Deductions/ Reclassifications	-	-	-	-	-
As on 31.03.2021	0.33	49.12	100.61	61.82	211.88
Net Block as on 01.04.2020	347.94	23.30	35.12	137.16	543.52
Net Block as on 31.03.2021	470.73	18.25	23.70	127.03	639.71

Note: Includes ₹ 77.14 Crore (31.03.2020: ₹ 77.14 Crore) towards Right of Way representing Company's Share of Assets, jointly owned with other Companies.

5B. Intangible Assets under development

		(₹ / Crore)	
		31.03.2021	31.03.2020
Opening balance		122.42	71.22
Add: Expenditure during the year			
Expenditure on Intangible asset		69.61	42.62
Establishment charges including Salaries and Wages		13.94	10.48
Interest		2.25	1.26
Others		(0.82)	2.02
		207.40	127.60
Less: Capitalised during the year		-	5.18
Closing balance		207.40	122.42

6. Investment in Subsidiaries, Joint Ventures and Associates

(₹ / Crore)

	31.03.2021	31.03.2020
Investments in Equity Instruments		
Associates		
Quoted		
Mangalore Refinery and Petrochemicals Ltd.		
29,71,53,518 (31.03.2020 : 29,71,53,518) Equity Shares of ₹ 10 each fully paid up	662.04	1,078.57
Un - Quoted		
GSPL India Transco Ltd		
6,40,20,000 (31.03.2020 : 5,41,20,000) Equity Shares of ₹ 10 each fully paid up	52.94	50.19
GSPL India Gasnet Ltd		
17,51,22,128 (31.03.2020 : 10,36,22,128) Equity Shares of ₹ 10 each fully paid up	170.60	97.29
Joint Ventures		
Un - Quoted		
HPCL Rajasthan Refinery Ltd (refer Note 6.1)		
179,82,37,000 (31.03.2020 : 129,87,37,000) Equity Shares of ₹ 10 each fully paid-up	1,727.25	1,289.72
HPCL Shapoorji Energy Pvt. Ltd. (refer Note 1.3.3)		
117,20,00,000 (31.03.2020 : 17,50,00,000) Equity Shares of ₹ 10 each fully paid up	-	172.93
HPCL-Mittal Energy Ltd. (refer Note 6.1)		
3,93,95,55,200 (31.03.2020 : 3,93,95,55,200) Equity Shares of ₹ 10 each fully paid up	5,129.42	4,849.16
Hindustan Colas Pvt. Ltd.		
47,25,000 (31.03.2020 : 47,25,000) Equity Shares of ₹ 10 each fully paid up	212.50	194.81
Petronet India Ltd. (refer Note 6.2)		
1,60,00,000 (31.03.2020 : 1,60,00,000) Equity Shares of ₹ 0.10 each fully paid up	0.43	0.42
Petronet MHB Ltd.		
27,43,33,672 (31.03.2020 : 27,43,33,672) Equity Shares of ₹ 10 each fully paid up	338.87	477.57
South Asia LPG Company Pvt. Ltd.		
5,00,00,000 (31.03.2020 : 5,00,00,000) Equity Shares of ₹ 10 each fully paid up	110.34	120.74
Bhagyanagar Gas Ltd.		
4,36,50,000 (31.03.2020 : 4,36,50,000) Equity Shares of ₹ 10 each fully paid up	174.62	150.34
Aavantika Gas Ltd		
2,95,57,038 (31.03.2020 : 2,95,57,038) Equity Shares of ₹ 10 each fully paid up	137.13	117.50
Mumbai Aviation Fuel Farm Facility Pvt. Ltd.		
4,82,88,750 (31.03.2020 : 4,82,88,750) Equity Shares of ₹ 10 each fully paid up	87.44	87.05
Godavari Gas Pvt Ltd.		
1,60,74,643 (31.03.2020 : 1,60,74,643) Equity Shares of ₹ 10 each fully paid up	13.70	14.93
Ratnagiri Refinery & Petrochemical Limited		
5,00,00,000 (31.03.2020 : 5,00,00,000) Equity shares of ₹ 10 each fully paid up	31.91	36.28
HPOIL Gas Pvt. Ltd.		
7,25,00,000 (31.03.2020 : 6,00,00,000) Equity shares of ₹ 10 each fully paid up	69.94	58.37
IHB Pvt Ltd		
41,45,00,000 (31.03.2020 : 2,62,50,000) Equity shares of ₹ 10 each fully paid up	414.75	24.95
	9,333.88	8,820.82



(` / Crore)

	31.03.2021	31.03.2020
Disclosures towards Cost / Market Value / Impairment		
a Aggregate amount of Quoted Investments (Market Value)	1,152.96	686.42
b Aggregate amount of Quoted Investments (Cost)	471.68	471.68
c Aggregate amount of Unquoted Investments (Cost)	7,180.77	6,374.12

6.1. As per the guidelines issued by Department of Public Enterprises (DPE) in August 2005, the Board of Directors of Navratna Public Sector Enterprises (PSEs) can invest in joint ventures and wholly owned subsidiaries subject to an overall ceiling of 30% of the net worth of the PSE. The Corporation has requested Ministry of Petroleum & Natural Gas (MOP&NG) to confirm its understanding that for calculating this ceiling limit, the amount of investments specifically approved by Government of India (i.e. investment in HPCL Mittal Energy Ltd (HMEI) and HPCL Rajasthan Refinery Limited (HRRL)) are to be excluded. The Corporation has calculated the limit of 30% investment in joint ventures and wholly owned subsidiaries, by excluding these investments. As per financial position as on 31st March 2021, the investments in joint ventures and wholly owned subsidiaries are well within the said 30% limit.

6.2. Petronet India Ltd. is in the process of Voluntary winding up w.e.f. August 30, 2018.

7. Other Investments

(` / Crore)

	31.03.2021	31.03.2020
Investment in equity instruments carried at fair value through other comprehensive income		
Quoted		
Oil India Ltd. (refer Note 7.1)		
2,67,50,550 (31.03.2020 : 2,67,50,550) Equity Shares of ` 10 each fully paid up	328.10	221.23
Scooters India Ltd.(refer Note 7.1)		
10,000 (31.03.2020 : 10,000) Equity Shares of ` 10 each fully paid up	0.04	0.02
Investment in equity instruments carried at fair value through Profit or Loss		
Un - Quoted		
Woodlands Multispecialty Hospital Limited of face value of ` 0.21 lakhs		
2,110 (31.03.2020 : 2,110) Equity shares of ` 10 each fully paid	0.00	0.00
Shushrusa Citizen Co-operative Hospital Limited of the face value of ` 0.10 lakhs		
100 (31.03.2020 : 100) Equity Shares of ` 100/- each fully paid	0.00	0.00
Total Investments in Equity Instruments	328.14	221.25
Investments in Preference Shares carried at fair value through profit or Loss		
Others		
Un - Quoted		
Compulsorily Convertible Preference shares in Start-Up Companies (refer Note 7.2)	13.82	8.68
Total Investments in Preference Shares	13.82	8.68
	341.96	229.93

7.1. The Group intends to hold these Investments for long term strategic purposes and accordingly designated them at fair value through Other Comprehensive Income. No strategic investments were disposed off during the financial year.

7.2. In view that these start-up (20 start ups) are in the stage of their development and are mostly in traction and refinement stages, the carrying value of these start-ups is considered as a reasonable approximation of their fair value.

	(` / Crore)	
	31.03.2021	31.03.2020
Disclosures towards Cost / Market Value / Impairment		
a Aggregate amount of Quoted Investments (Market Value)	328.14	221.25
b Aggregate amount of Quoted Investments (Cost)	561.77	561.77
c Aggregate amount of Unquoted Investments (Cost)	13.82	8.68
d Aggregate amount of Provision for impairment	-	-

8. Loans

	(` / Crore)	
	31.03.2021	31.03.2020
Secured		
Employee loans and advances and Interest thereon, considered good	368.03	346.32
Unsecured		
Deposits, considered good	132.97	146.95
Other Loans, considered good (refer Note 8.1)	776.86	911.76
Loan Receivables which have significant increase in credit risk (refer Note 8.1)	161.37	153.54
Loan Receivables – credit impaired (refer Note 8.1)	90.69	13.34
Less: Provision for Impairment (refer Note 8.2)	550.71	162.43
	979.21	1,409.48

8.1. Includes Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ` 963.05 Crore before impairment (31.03.2020: ` 1,027.10 Crore).

8.2. Includes Provision towards Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ` 550.71 Crore (31.03.2020 : ` 162.43 Crore)

9. Other Financial Assets

	(` / Crore)	
	31.03.2021	31.03.2020
Share application money pending allotment	8.33	0.35
Bank Deposit with more than 12 months maturity (refer Note 9.1)	7.09	4.97
Lease Receivables	0.97	0.97
	16.39	6.29

9.1. Earmarked with various authorities.

**10. Other Non-Current Assets**

	(` / Crore)	
	31.03.2021	31.03.2020
Balances with Excise, Customs etc. (refer Note 10.1)	613.40	480.01
Less: Provision for doubtful receivables	22.30	-
Deposits	84.90	131.87
Advance tax (net of provisions)	1,260.72	1,385.70
Capital advances	400.08	207.61
Advance to Employee's PF Trust (net of provisions) (refer Note 10.2)	72.90	
Prepaid Employee Cost	168.60	176.28
Prepaid Lease Rental	0.30	0.30
Others Prepaid Expenses (Including advance)	494.65	320.30
	3,073.25	2,702.07

10.1. Includes an amount of ` 80.56 Crore has been carried in the books as receivable towards Custom Duty refund claims filed relating to the period 1992-1997. As per the assessment made by the management, the refund is legally tenable, management is continuing to pursue the matter with Authorities for early settlement of these claims.

10.2. During the year, Trust has been provided with reimbursable advance of ` 243 Crore by the Corporation. (refer Note 66)

11. Inventories

	(` / Crore)	
	31.03.2021	31.03.2020
Raw materials (Including in transit 31.03.2021 : ` 993.50 Crore; 31.03.2020 : ` 1,020.42 Crore)	3,906.20	2,950.06
Work-in-progress	1,026.65	922.39
Finished goods (Including in transit 31.03.2021 : ` 200.87 Crore ; 31.03.2020 : ` 88.76 Crore)	8,817.05	6,164.24
Stock-in-trade (Including in transit 31.03.2021 : ` 1,547.00 Crore ; 31.03.2020 : ` 1,251.37 Crore)	14,517.01	8,755.55
Stores and spares (Including in transit 31.03.2021 : ` 24.06 Crore; 31.03.2020 : ` 32.02 Crore)	455.38	506.88
Less : Provision for Stores and Spares	6.78	7.68
Packages	48.39	34.55
	28,763.90	19,325.99

11.1. The write-down including reversals, if any, of Inventories to net realisable value during the financial year amounted to ` 122.24 Crore (31.03.2020 : ` 1,002.93 Crore) for the Corporation. The write downs and reversal are included in cost of materials consumed, changes in Inventories of finished goods, stock-in-trade and work in progress. (refer Note 61)

12. Investments

	(` / Crore)	
	31.03.2021	31.03.2020
Investments carried at fair value through Profit or Loss		
Quoted - Government Securities		
6.90% Oil Marketing Companies' GOI Special Bonds, 2026 17,36,36,000 (31.03.2020 : 17, 36,36,000) Bonds of ` 100 each face value	1,794.07	1,767.79
8.00% Oil Marketing Companies' GOI Special Bonds, 2026 24,41,000 (31.03.2020 : 24,41,000) Bonds of ` 100 each face value	26.37	26.18
8.20% Oil Marketing Companies' GOI Special Bonds, 2024 1,23,49,000 (31.03.2020 : 1,23,49,000) Bonds of ` 100 each face value	133.47	132.76
6.35% Oil Marketing Companies' GOI Special Bonds, 2024 18,32,33,000 (31.03.2020 : 18,32,33,000) Bonds of ` 100 each face value	1,870.31	1,834.06
7.59% Government of India, G - Sec Bonds, 2026 1,85,00,000 (31.03.2020 : 1,85,00,000) Bonds of ` 100 each face value (refer Note 12.1)	197.47	196.19
7.72% Government of India, G - Sec Bonds, 2025 8,36,00,000 (31.03.2020 : 8,36,00,000) Bonds of ` 100 each face value (refer Note 12.1)	897.03	892.01
8.33% Government of India, G - Sec Bonds, 2026 1,80,00,000 (31.03.2020 : 1,80,00,000) Bonds of ` 100 each face value (refer Note 12.1)	197.46	196.92
8.15% Government of India, G - Sec Bonds, 2026 2,75,00,000 (31.03.2020 : 2,75,00,000) Bonds of ` 100 each face value (refer Note 12.1)	301.40	298.95
	5,417.58	5,344.86

- 12.1. Bonds valuing ` 1,476 Crore (31.03.2020: ` 1,476 Crore) comprising 7.59% G - Sec Bonds of ` 185 Crore (31.03.2020: ` 185 Crore), 7.72% G - Sec Bonds of ` 836 Crore (31.03.2020: ` 836 Crore), 8.33% G - Sec Bonds of ` 180 Crore (31.03.2020: ` 180 Crore) and 8.15% G - Sec Bonds of ` 275 Crore (31.03.2020: ` 275 Crore), have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.

	(` / Crore)	
	31.03.2021	31.03.2020
Disclosures towards Cost / Market Value / Impairment		
a Aggregate amount of Quoted Investments (Market Value)	5,417.58	5,344.86
b Aggregate amount of Quoted Investments (Cost)	5,267.26	5,267.26
c Aggregate amount of Unquoted Investments (Cost)	-	-
d Aggregate amount of Provision for impairment	-	-

13. Trade Receivables

	(` / Crore)	
	31.03.2021	31.03.2020
Unsecured		
Considered good	6,221.00	3,954.78
Significant increase in credit risk	809.77	-
Credit impaired	159.36	159.33
Less: Allowances for Bad and Doubtful Debts (refer Note 13.1)	320.14	179.92
	6,869.99	3,934.19

- 13.1. Includes loss allowance of ` 302.62 Crore (31.03.2020 : ` 159.33 Crore) on trade receivables of ` 969.13 Crore (31.03.2020 : ` 159.33 Crore) for which the credit risk has been assessed on an individual basis.

**14. Cash and Cash Equivalents**

	(` / Crore)	
	31.03.2021	31.03.2020
Balances with Scheduled Banks:		
- on Current Accounts	365.43	109.54
- on Non-Operative Current Accounts	0.01	0.01
Cash on Hand	4.34	1.84
Fixed Deposits with original maturity less than 3 months	110.60	93.37
	480.38	204.76

15. Bank Balances other than cash and cash equivalents

	(` / Crore)	
	31.03.2021	31.03.2020
Earmarked balances with banks	31.64	17.95
Earmarked balances with banks for Shares Buy-back	62.50	-
Fixed Deposits with 3 - 12 months maturity (refer Note 15.1)	0.40	0.41
	94.54	18.36

15.1. Earmarked with various authorities.

16. Loans

	(` / Crore)	
	31.03.2021	31.03.2020
Secured		
Employee loans and advances and Interest thereon, considered good	52.75	45.18
Unsecured		
Deposits	0.03	0.03
Other Loans, considered good (refer Note 16.1)	116.89	362.86
Loan Receivables which have significant increase in credit risk (refer Note 16.1)	15.38	61.42
Loan Receivables – credit impaired (refer Note 16.1)	20.64	17.34
Less: Provision for Impairment (refer Note 16.2)	79.36	76.97
	126.33	409.86

16.1. Includes Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ` 117.80 Crore before impairment (31.03.2020: ` 410.84 Crore).

16.2. Includes Provision towards Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ` 67.36 Crore (31.03.2020: ` 64.97 Crore)

17. Other Financial Assets

	(` / Crore)	
	31.03.2021	31.03.2020
Amounts recoverable under subsidy schemes	35.72	464.65
Less: Provision for doubtful receivables	10.47	-
Interest accrued on Investments	112.48	93.98
Derivative Assets	5.20	16.04
Delayed payment charges receivable from customers	313.12	282.93
Less : Loss allowance	153.07	121.87
Receivables from Govt of India towards Pradhan Mantri Ujjwala Yojana (PMUY)	7.19	290.48
Receivables from Govt of India towards Direct Benefit Transfer of LPG (DBTL)	279.63	5,576.35
Balance with Life Insurance Corporation of India	975.04	1,041.76
Other Receivables	545.07	337.49
Less : Provision for doubtful other receivables (refer Note 17.1)	134.14	11.38
	1,975.77	7,970.43

17.1. Includes an amount of ` 91.58 Crore (2019-20: ` NIL) on which a provision of ` 91.58 Crore (2019-20 :Nil) made (refer Note 59)

18. Other Current Assets

	(` / Crore)	
	31.03.2021	31.03.2020
Advance recoverable other than cash	28.42	7.05
Balances with Excise, Customs etc.	55.01	42.59
Deposits	-	5.81
Prepaid employee cost	15.08	15.56
Prepaid Lease Rental	20.43	10.96
Other Prepaid Expenses	260.65	295.86
Gold Coins in Hand	-	7.40
Other Current Assets	46.33	16.01
	425.92	401.24

19. Equity Share capital

	(` / Crore)	
	31.03.2021	31.03.2020
A. Authorised:		
2,49,92,50,000 (31.03.2020 : 2,49,92,50,000) Equity Shares of ` 10/- each	2,499.25	2,499.25
75,000 (31.03.2020: 75,000) Cumulative Redeemable Preference Shares of ` 100/- each	0.75	0.75
	2,500.00	2,500.00
B. Issued & Subscribed:		
1,45,27,23,884 (31.03.2020: 1,52,45,25,375) Equity Shares of ` 10/- each	1,452.72	1,524.53
C. Fully Paid up:		
1,45,20,21,134 (31.03.2020: 1,52,38,22,625) Equity Shares of ` 10/- each	1,452.02	1,523.82
D. Shares Forfeited:		
7,02,750 (31.03.2020: 7,02,750) Shares Forfeited (money received)	0.39	0.39
	1,452.41	1,524.21



(` / Crore)

	31.03.2021	31.03.2020
E. Reconciliation of number of equity shares:		
Outstanding at the beginning of the year	1,523,822,625	1,523,822,625
Equity shares allotted as fully paid bonus shares	-	-
Equity shares extinguished including pending extinguishment as on 31.03.2021 bought under shares buy-back program (refer Note 19 H (ii))	71,801,491	-
Outstanding at the end of the year	1,452,021,134	1,523,822,625

F. Rights and Restrictions on Equity / preference Shares:

The Company has only one class of Equity Shares having a face value of ` 10/- per share which are issued and subscribed. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of the winding up of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by the shareholders and the amount paid up thereon.

The Company also has 75,000 6% cumulative Redeemable Non-convertible Preference Shares of ` 100 /- each as a part of the Authorised Capital, which were issued earlier by the erstwhile ESSO Standard Refining Co. of India Ltd. (ESRC). Presently the said Preference Shares stand redeemed.

G. Details of shares held by each shareholder, holding more than 5% shares in the company:

	31.03.2021	
Name of shareholders	% Holding*	No. of Shares
Oil and Natural Gas Corporation Limited	53.64	778,845,375

	31.03.2020	
Name of shareholders	% Holding*	No. of Shares
Oil and Natural Gas Corporation Limited	51.11	778,845,375

* Calculated considering both shares extinguished and pending extinguishment (refer Note 19 H (ii))

H. In the period of five years immediately preceding 31st March, 2021:

- The Corporation had issued Bonus Shares during Financial Years 2017-18 and 2016-17 in the ratio of 1:2 and 2:1 respectively by capitalization of Reserves. The total number of Bonus Shares issued during Financial Years 2017-18 and 2016-17 are 50,79,40,875 and 67,72,54,500 equity shares respectively, having face value of ` 10 each.
- The Board, at its meeting held on 04.11.2020 approved the buyback of fully paid-up equity shares of the face value of ` 10/- from the open market through stock exchange mechanism for an aggregate amount not exceeding ` 2,500 Crore ("Maximum Buyback Size") and at a price not exceeding ` 250 per Equity Share, payable in cash. This do not include any transaction costs such as brokerage, fees, turnover charges, taxes such as buyback tax and securities transaction tax, stamp duty, advisor fees, filing fees etc. Pursuant to relevant SEBI regulations, a public announcement was made on 06.11.2020, buy-back opened on 17.11.2020 and it closed on 14.05.2021. As on 31.03.2021, equity shares numbering 7,18,01,491, representing 4.71% of Share Capital (prior to commencement of buy-back), having a face value of ` 71,80,14,910/- have been bought back. Of this, in line with SEBI Regulations, 6,79,77,038 shares have been extinguished as on reporting date and the rest of it on 20.04.2021. The effect of subsequent extinguishment, being adjusting event, under Ind-AS, has been duly recognized as on 31.03.2021 itself.

20. Other Equity

		(₹ / Crore)	
		31.03.2021	31.03.2020
Capital Redemption Reserve	(i)	73.36	1.56
Debenture Redemption Reserve	(ii)	753.97	720.13
Capital Reserve	(iii)	0.74	0.71
Foreign Currency Monetary Item Translation Difference Account	(iv)	-	-
General Reserve	(v)	50.10	1,827.75
Retained Earnings	(vi)	36,068.83	27,485.23
Equity Instruments through Other Comprehensive Income	(vii)	(233.64)	(340.53)
Foreign Currency Translation Reserve	(viii)	(36.58)	(51.33)
Cash Flow Hedge Reserve	(ix)	(48.33)	(187.11)
		36,628.45	29,456.41
(i) Capital Redemption Reserve			
As per last Balance Sheet		1.56	1.56
Add: Transfer from General Reserve		71.80	-
		73.36	1.56
(ii) Debenture Redemption Reserve			
As per last Balance Sheet		720.13	208.60
Add: Transfer from Retained Earnings (refer Note 20.1)		33.84	625.00
Less: Transfer to Retained Earnings		-	113.47
		753.97	720.13
20.1. The reserve is created consequent on Non-Convertible Debentures, issued under Companies Act, 2013.			
(iii) Capital Reserve			
As per last Balance Sheet		0.71	0.71
Add: Transfer during the year		0.03	-
		0.74	0.71
(iv) Foreign Currency Monetary Item Translation Difference Account (refer Note 20.2)			
As per last Balance Sheet		-	(2.91)
Add: Additions during the year		-	(0.79)
Less: Amortised during the year		-	(3.70)
		-	-
20.2. Represents exchange rate variation on loan taken for acquisition of non-depreciable assets, amortized over loan period.			
(v) General Reserve			
As per last Balance Sheet		1,827.75	1,827.75
Less: Utilisation for Shares Buy-back		1,705.85	-
Less: Transfer to Capital Redemption Reserve		71.80	-
		50.10	1,827.75
(vi) Retained Earnings			
As per last Balance Sheet		27,485.23	26,923.39
Add: Profit/(Loss) for the year		10,662.89	2,638.73



	(` / Crore)	
	31.03.2021	31.03.2020
Add : Reversal of Tax Expense on exercising option under section 115BAA of Income-tax Act, 1961 (refer Note 40)	-	324.89
Add : Transfer from Debenture Redemption Reserve	-	111.54
Less : 'Other Reserve' (refer Note 60)	262.17	-
Less : Transfer to Debenture Redemption Reserve	33.84	625.00
Less : Utilisation for Shares Buy-back	208.61	-
Less : Profit appropriated to Interim / Final Dividend	1,485.72	1,432.39
Less : Profit appropriated to Tax on Distributed Profits	-	294.43
Add : Share in Other comprehensive Income of equity accounted investees	3.17	(2.93)
Less : Remeasurment (Gain)/Loss on Defined Benefit Plans	92.12	158.57
	36,068.83	27,485.23
(vii) Equity Instruments through Other Comprehensive Income		
As per last Balance Sheet	(340.53)	(65.92)
Add : Additions during the year	106.89	(274.61)
	(233.64)	(340.53)
(viii) Foreign Currency Translation Reserve		
As per last Balance Sheet	(51.33)	(16.74)
Add : Additions during the year	14.75	(34.59)
	(36.58)	(51.33)
(ix) Cash Flow Hedge Reserve		
As per last Balance Sheet	(187.11)	-
Add : Effective Portion of Gains/(loss) in a Cash Flow Hedge	120.74	(187.11)
Less : Reclassification to Statement of Profit and Loss	(18.04)	-
	(48.33)	(187.11)
	36,628.45	29,456.41

21. Borrowings

	(` / Crore)	
	31.03.2021	31.03.2020
Bonds and Debentures (refer note 21.1)		
Un - secured		
Foreign Currency Bonds	3,646.17	3,771.95
8.00% Non-Convertible Debentures	499.81	499.75
7.00% Non-Convertible Debentures	1,999.81	1,999.76
6.80% Non-Convertible Debentures	2,999.85	2,999.77
6.38% Non-Convertible Debentures	599.83	599.75
7.03% Non-Convertible Debentures	1,399.76	1,399.76
5.36% Non-Convertible Debentures	1,199.92	-
4.79% Non-convertible debentures	1,999.89	-

(` / Crore)

	31.03.2021	31.03.2020
Term loans		
Secured		
Oil Industry Development Board (refer Note 21.2)	2,850.00	2,931.19
Other Loans (refer Note 21.4)	-	246.49
Un - secured		
Syndicated Loans from Foreign Banks (repayable in foreign currency) (refer Note 21.3)	8,579.15	10,783.50
Others		
Un - secured		
Lease Liabilities (under Ind AS 116)	3,024.89	2,493.45
	28,799.08	27,725.37
Less: Current maturities of Long Term Borrowings	725.00	4,359.02
Less: Current maturities of Lease Liabilities	309.66	256.72
	27,764.42	23,109.63

21.1. Bonds and Debentures

Particulars of Bond/Debenture	Coupon Rate of Interest	Date of Maturity/Redemption
7.03% Non-Convertible Debentures	7.03% p.a. payable Annually	12 th April 2030
USD 500 million bonds	4.00% p.a. payable Half Yearly	12 th July 2027
5.36% Non-Convertible Debentures	5.36% p.a. payable Annually	11 th April 2025
7.00% Non-Convertible Debentures	7.00% p.a. payable Annually	14 th August 2024
8.00% Non-Convertible Debentures	8.00% p.a. payable Annually	25 th April 2024
4.79% Non-Convertible Debentures	4.79% p.a. payable Annually	23 th October 2023
6.38% Non-Convertible Debentures	6.38% p.a. payable Annually	12 th April 2023
6.80% Non-Convertible Debentures	6.80% p.a. payable Annually	15 th December 2022

21.2. Term Loans from Oil Industry Development Board

Repayable during	` in Crore		Range of Interest Rate as on	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
2020-21	-	181.19	-	7.72%-8.28%
2021-22	725.00	725.00	6.53%-8.28%	6.53%-8.28%
2022-23	750.00	725.00	5.68%-8.28%	6.53%-8.28%
2023-24	750.00	725.00	5.68%-8.28%	6.53%-8.28%
2024-25	600.00	575.00	5.68%-7.96%	6.53%-7.96%
2025-26	25.00	-	5.68%-5.68%	-
Total	2,850.00	2,931.19		

The loan has been secured with first charge on the facilities of Vishakh Refinery Modernisation Project, Mumbai Refinery Expansion Project, Awa Salawas Pipeline, Manglore Hassan Mysore LPG Pipeline, Uran-Chakan / Shikarpur LPG Pipeline & Rewari Mathura Kanpur Pipeline for a value of ` 17,437.85 Crore (31.03.2020: ` 15,815.87 Crore). Of the loan amount ` 725 Crore (31.03.2020: ` 181.19 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26.

**21.3. Syndicated Loans from Foreign Banks (repayable in foreign currency)****With respect to Loan taken by Hindustan Petroleum Corporation Ltd.**

The Group has availed Syndicated Loans from foreign Banks at fixed rate and/or 3 months floating LIBOR plus spread (spread range: 100 to 155 basis point p.a.). These loans are taken for the period up to 5 years. Of the loan amount ` NIL Crore (31.03.2020: ` 4,150.07 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26.

With respect to Loan taken by Prize Petroleum International Pte Ltd. (PPIPL)

The secured bank loan bears interest at 1.2% + 6-month LIBOR per annum (2019-20 : 1.2% + 6-month LIBOR per annum), which ranged from 1.45% to 3.13% p.a. (2019-20 : 3.13% to 3.82% p.a.). The bank loan is repayable on the 7th anniversary of the utilization date on 28th October 2023. Shares of the Group in PPIPL have been pledged in favour of the lender.

21.4. Other Loans**With respect to Loan taken by HPCL Biofuels Ltd. (HBL)**

Government of Bihar (GOB) Soft Loan of ` 16.48 Crore availed through SBI during F.Y.15-16 with interest subvention to the extent of 10%. Four Installments amounting to ` 3.06 Crore was paid during F.Y. 2020-21 (2019-2020 : ` 3.52 Crore). The Balance of GoB Soft Loan as on 31.03.2021 was Nil (31.03.2020 : ` 3.06 Crore). Term Loan of ` 308.80 Crore was availed through SBI during F.Y. 2014-15. During the year 2020-21 the Term loan was paid in full in Two Installments by Rs 243.95 Crore (2019-20: ` 22.39 Crore) in September 2020. The Balance of Term loan as on 31.03.2021 was Nil (31.03.2020: ` 243.43 Crore).

Of the loan amount ` NIL Crore (31.03.2020: ` 27.76 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26).

22. Other Financial Liabilities

	(` / Crore)	
	31.03.2021	31.03.2020
Other Liabilities	32.63	0.70
	32.63	0.70

23. Provisions

	(` / Crore)	
	31.03.2021	31.03.2020
Provision for employee benefits	56.70	54.54
Others	0.08	0.08
	56.78	54.62

24. Other Non-Current Liabilities

	(` / Crore)	
	31.03.2021	31.03.2020
Capital Grant	13.18	14.36
Other liabilities	369.30	210.47
	382.48	224.83

25. Borrowings

	31.03.2021	31.03.2020
(` / Crore)		
Loans repayable on demand		
Secured		
from banks		
Cash Credit (Secured by hypothecation of Inventories in favour of Banks on pari passu basis)	2,551.03	3,116.89
from other parties		
Triparty Repo Dealing System Loan (refer note 25.1)	1,449.62	1,399.94
Un - Secured		
from banks		
Clean Loans	4,800.31	3,056.02
Short term loans	2,120.57	6,261.11
from other parties		
Commercial papers	3,988.12	2,442.16
	14,909.65	16,276.12

25.1. Bonds valuing ` 1,476 Crore (31.03.2020: ` 1476 Crore) comprising 7.59% G - Sec Bonds of ` 185 Crore (31.03.2020: ` 185 Crore), 7.72% G - Sec Bonds of ` 836 Crore (31.03.2020: ` 836 Crore), 8.33% G - Sec Bonds of ` 180 Crore (31.03.2020: ` 180 Crore) and 8.15% G - Sec Bonds of ` 275 Crore (31.03.2020: ` 275 Crore), have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.

26. Other Financial Liabilities

	31.03.2021	31.03.2020
(` / Crore)		
Current maturities of Long Term Borrowings (refer Note 26.1)	725.00	4,359.02
Current maturities of Lease Liabilities	309.66	256.72
Interest accrued but not due on loans	325.44	262.47
Unpaid Dividend (refer Note 26.2)	19.01	17.70
Derivative Liability	1.84	79.51
Deposits from Dealers /Consumers/Suppliers (refer Note 26.3)	16,130.95	15,436.10
Liability towards Capital Expenditures:		
Outstanding dues of micro enterprises and small enterprises (refer Note 47)	492.09	339.55
Outstanding dues of creditor other than micro and small enterprises	1,898.11	1,643.81
Other Financial Deposits	12.41	11.91
Other Liabilities	863.51	979.12
	20,778.02	23,385.91

26.1. Includes loans repayable within one year: Syndicated Loans from Foreign Banks (repayable in foreign currency) ` Nil Crore (31.03.2020: ` 4,150.07 Crore); Loan from Oil Industry and Development Board ` 725 Crore (31.03.2020 : ` 181.19 Crore) and Other Loans ` NIL Crore (31.03.2020 : ` 27.76 Crore).

26.2. Dues as at the end of the year for credit to Investors' Education and Protection Fund is ` NIL (31.03.2020: NIL).

26.3. Includes deposits received towards Rajiv Gandhi Gramin LPG Vitruk Yojana ` 241.89 Crore (31.03.2020: ` 241.89 Crore) and Prime Minister Ujjvala Yojana of ` 3,015.69 Crore (31.03.2020: ` 3,020.91 Crore). These deposits have been either made by Government of India or created out of CSR fund.

**27. Other Current Liabilities**

	(` / Crore)	
	31.03.2021	31.03.2020
Revenue received in advance	1,044.78	1,046.95
Capital Grant	1.14	1.82
Statutory Payables	4,559.19	1,708.82
Other Liabilities	110.09	158.35
	5,715.20	2,915.94

28. Provisions

	(` / Crore)	
	31.03.2021	31.03.2020
Provision for employee benefits	1,722.63	1,903.43
Provisions for probable obligations (refer Note 56)	1,104.46	727.13
	2,827.09	2,630.56

29. Current Tax Liabilities (Net)

	(` / Crore)	
	31.03.2021	31.03.2020
Provision for tax (net of advance tax) (refer Note 40)	351.72	366.97
	351.72	366.97

30. Gross Sale of Products

	(` / Crore)	
	2020-21	2019-20
Sale of Products	269,470.78	286,199.40
Recovery under Subsidy Schemes	22.91	374.87
	269,493.69	286,574.27

30.1. Net of discount of ` 2,199.63 Crore (2019-20 : ` 2,348.47 Crore).

30.2. Includes Subsidy on PDS Kerosene and Domestic Subsidized LPG from State Governments amounting to ` 31.30 Crore (2019-20 : ` 63.95 Crore) and Subsidy on Sugar (pertaining to HPCL Biofuels Ltd.) from GOI of ` 14.08 Crore (2019-20 : ` 29.51 Crore).

30.3. Includes Budgetary Support amounting to ` (9.80 Crore) (2019-20 : ` 281.41 Crore) under 'Recovery under Subsidy Schemes' towards under-recovery on sale of PDS SKO.

30.4. Disaggregation of revenue as required under Ind AS 115:

	(` / Crore)	
	2020-21	2019-20
Exports	3,060.96	6,203.38
Other than export	266,432.73	280,370.89
	269,493.69	286,574.27

31. Other Operating Revenues

(` / Crore)

	2020-21	2019-20
Rent Recoveries	757.28	828.13
Net Recovery for LPG Filling Charges	1.63	0.63
Miscellaneous Operating Income	325.36	339.02
	1,084.27	1,167.78

32. Other Income

(` / Crore)

	2020-21	2019-20
Interest Income on Financial Assets carried at amortized cost:		
On Deposits	13.19	0.40
On Staff Loans	38.12	41.72
On Customers' Accounts	292.58	272.62
Interest On Current Investments carried at fair value through Profit or Loss	385.62	373.11
Interest on Others Financial Assets carried at amortized cost	371.17	303.41
	1,100.68	991.26
Dividend Income from non-current equity instruments at FVOCI	13.64	28.76
Fair value gain on Derivative instruments carried at FVTPL	15.08	-
Fair value gain on re-measurement of previously held equity interest (refer Note 1.3.3)	158.99	-
Gain on foreign currency transaction and translation	1,014.89	-
Fair value gain on Current Investments carried at FVTPL	72.90	262.66
Profit on Sale of Current Investment	-	0.55
Profit on Sale / write off of Property Plant & Equipments / Capital Work in Progress / Assets classified as held for Sale/Disposal (net)	-	19.41
Share of Profit / (Loss) from Petroleum India International (AOP)	-	0.34
Miscellaneous Income	267.55	378.64
	1,543.05	690.36
	2,643.73	1,681.62

33. Cost of Materials Consumed

(` / Crore)

	2020-21	2019-20
Cost of Raw Materials Consumed	40,897.90	59,583.73
Packages Consumed	314.43	322.76
	41,212.33	59,906.49



34. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress (Increase)/ Decrease

	(` / Crore)	
	2020-21	2019-20
(A) Closing Stock:		
Work-in-progress	1,026.65	922.39
Finished Goods	8,817.05	6,164.24
Stock-in-trade	14,517.01	8,755.55
	24,360.71	15,842.18
(B) Opening Stock:		
Work-in-Progress	922.39	781.79
Finished Goods	6,164.24	6,995.33
Stock-in-Trade	8,755.55	8,713.48
	15,842.18	16,490.60
(C) Write down of inventories considered under Exceptional Items (refer Note 61)	-	1,002.93
(B-A-C)	(8,518.53)	(354.51)

35. Employee Benefits Expense

	(` / Crore)	
	2020-21	2019-20
Salaries, Wages, Bonus, etc.	2,470.89	2,276.29
Contribution to Provident Fund (refer note 66)	176.62	334.13
Pension, Gratuity and Other Employee Benefits	221.75	267.50
Employee Welfare Expenses	350.16	346.14
	3,219.42	3,224.06

36. Finance costs

	(` / Crore)	
	2020-21	2019-20
Interest (refer Note 36.1)	939.65	772.61
Exchange differences regarded as an adjustment to borrowing costs	7.38	345.32
Other borrowing costs	16.25	20.92
	963.28	1,138.85

36.1. Includes interest u/s 234B / 234C of Income Tax Act, 1961 for an amount ` 57.03 Crore (2019-20 : ` NIL).

37. Other Expenses

(` / Crore)

	2020-21	2019-20
Transportation Expenses	6,401.92	6,141.13
Consumption of Stores, Spares and Chemicals	250.97	290.02
Power and Fuel	2,273.63	2,722.42
Less : Consumption of fuel out of own production	1,863.78	2,223.37
Power and fuel consumed (net)	409.85	499.05
Repairs and Maintenance - Buildings	41.26	60.06
Repairs and Maintenance - Plant and Machinery	1,092.68	1,189.75
Repairs and Maintenance - Other Assets	397.56	487.41
Insurance	132.52	75.47
Rates and Taxes	224.22	93.17
Irrecoverable Taxes and Other Levies	584.74	416.38
Equipment Hire Charges	1.85	2.32
Rent	276.08	291.81
Travelling and Conveyance	141.54	236.71
Printing and Stationery	15.36	19.71
Electricity and Water	821.91	831.34
Corporate Social Responsibility (CSR) Expenses	129.97	182.24
Stores and spares written off	1.11	2.42
Provision for Doubtful Receivables / Loans	555.89	69.98
Provision for Doubtful Debts (After adjusting provision no longer required written back ` 1.36 Crore, 2019-20: ` NIL Crore)	140.21	12.78
Bad Debts written off	0.74	0.21
Loss on Sale/ write off of Property Plant & Equipments / Capital Work In Progress / Assets classified as held for Sale / Disposal (net)	51.17	-
Security Charges	282.64	282.73
Advertisement and Publicity	127.32	155.66
Sundry Expenses and Charges (Not otherwise classified) (refer Note 57)	1,316.02	1,064.67
Consultancy and Technical Services	71.43	61.50
Loss on Foreign Currency Transaction and Translation (net)	-	875.44
Fair value Loss on Derivative instruments carried at FVTPL (net)	-	44.75
Exploration Cost	0.42	30.75
Payments to the auditor for:		
- Audit Fees	0.72	0.74
- Other Services	0.38	0.39
- Reimbursement of expenses	0.19	0.28
	13,470.67	13,418.87



38. Fair Value Measurements

38.A. Classification of Financial Assets and Financial Liabilities

The following table shows the carrying amounts of Financial Assets and Financial Liabilities which are classified as at Fair value through Profit or Loss (FVTPL), Fair value through other comprehensive Income (FVTOCI) and Amortized Cost:

(₹ / Crore)

	31.03.2021			31.03.2020		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
- Investment in Equity Instruments	0.00	328.14	-	0.00	221.25	-
- Investment in Preference Shares	13.82	-	-	8.68	-	-
- Investment in Debt Instruments	5,417.58	-	-	5,344.86	-	-
- Others	-	-	-	-	-	-
Loans & Advances						
- Employee Loans	-	-	420.78	-	-	391.50
- Other loans	-	-	684.76	-	-	1,427.84
Trade receivables	-	-	6,869.99	-	-	3,934.19
Cash and cash equivalents	-	-	480.38	-	-	204.76
Other Bank Balances	-	-	94.54	-	-	18.36
Derivative Assets	5.20	-	-	16.04	-	-
Amounts recoverable under subsidy schemes	-	-	35.72	-	-	464.65
Others	-	-	1,951.24	-	-	7,496.03
Total	5,436.60	328.14	10,537.41	5,369.58	221.25	13,937.33
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	-	3,646.17	-	-	3,771.95
- Non Convertible Debentures	-	-	10,698.87	-	-	7,498.79
- Oil Industry Development Board	-	-	2,850.00	-	-	2,931.19
- Syndicated Loans from Foreign Banks	-	-	8,579.15	-	-	10,783.50
- Long term loans from banks	-	-	-	-	-	246.49
- Cash Credit	-	-	2,551.03	-	-	3,116.89
- Short term loans from banks	-	-	2,120.57	-	-	6,261.11
- Clean Loans	-	-	4,800.31	-	-	3,056.02
- Triparty Repo Dealing System Loan	-	-	1,449.62	-	-	1,399.94
- Commercial papers	-	-	3,988.12	-	-	2,442.16
Lease Liabilities	-	-	3,024.89	-	-	2,493.45
Trade Payables	-	-	17,798.65	-	-	11,472.55
Deposits from Consumers	-	-	16,130.95	-	-	15,436.10
Derivative Liability	1.84	-	-	79.51	-	-
Others	-	-	3,643.20	-	-	3,255.26
Total	1.84	-	81,281.53	79.51	-	74,165.40

38.B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of the Financial Assets and Financial Liabilities that are recognised and measured at fair value and amortised cost. To provide an indication about the reliability of the inputs used in determining fair value, Corporation has classified its Financial Assets and Financial Liabilities into the three levels prescribed under the accounting standard. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. An explanation of each level is provided under Significant Accounting Policies.

(` / Crore)

	31.03.2021			31.03.2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investments						
- Investment in Equity Instruments	328.14	-	-	221.25	-	-
- Investment in Debt Instruments	5,417.58	-	-	5,344.86	-	-
- Others	-	-	-	-	-	-
Loans						
- Employee Loans	-	420.78	-	-	391.50	-
- Other Loans	-	1,080.85	-	-	1,437.94	-
Derivative Assets	-	5.20	-	-	16.04	-
Total	5,745.72	1,506.83	-	5,566.11	1,845.48	-
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	3,883.37	-	-	3,435.78	-
- Non Convertible Debentures	-	11,033.26	-	-	7,640.55	-
- Oil Industry Development Board Loan	-	2,942.15	-	-	3,011.98	-
Derivative Liabilities	-	1.84	-	-	79.51	-
Total	-	17,860.62	-	-	14,167.82	-

38.C. Valuation techniques used to determine Fair Value:

Type	Valuation technique
Derivative instruments - forward exchange contracts	Discounted cash flow i.e. fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract.
Derivative instruments - Commodity derivatives	Fair value of commodity derivative contracts is estimated by determining the difference between the contractual price and the current forward price for the residual maturity of the contract.
Derivative instruments - interest rate swap	Discounted cash flows i.e. Present value of expected receipt/payment.
Non-current financial assets and liabilities measured at amortised cost	Discounted cash flows. The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates.

**39. Financial risk management****39.A. Risk management framework**

The Corporation has established an Enterprise Risk Management (ERM) framework under the Corporation's Risk Management Charter and Policy 2007, which is embedded at the forefront of business strategies and focuses on the stronger, deeper and trust-based relationship with the stakeholders. It provides necessary support to the business to steer through the continuously evolving risk terrain through dynamic risk management approach that embraces disruption and enhances resiliency and trust.

The outbreak of the Coronavirus Disease (COVID-19) has stricken communities across the globe. The virus' rapid geographical spread has caught the world off-guard, with major implications for personal health, business continuity and the world economic order. The Corporation had immediately reviewed the Risks arising out of the COVID-19 and suitably included the new risks as well as amended the existing Risks for suitably mitigating same.

The Risk Management Steering Committee (RMSC) receives regular insights on risk exposures faced by the Corporation, thereby enabling it to provide inputs on prompt actions to be taken as well as monitor the actions taken. The Board is also updated regularly on the risk assessment and mitigation procedures.

Technology has been enabled to support the Enterprise Risk Management processes with a focus on optimizing risk exposures and automating risk reporting across the organization.

39.B. Group has identified financial risk and categorised them in three parts viz. (i) Credit Risk, (ii) Liquidity Risk & (iii) Market Risk. Details regarding sources of risk in each such category and how Group manages the risk is explained in following notes:

39.B.1. Credit risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet their contractual obligations. The risk arises principally from the Group's Receivables from Customers and so also from Investment Securities. The risk is managed through credit approval, establishing credit limits and continuous monitoring of the creditworthiness of Customers to whom the Group extends credit terms in the normal course of business.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Note: Refer Note 57 regarding loans given to consumers under Pradhan Mantri Ujjwala Yojna (PMUY).

Trade receivables:

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The Group assesses impairment of Trade Receivable/Other Receivables both individually &/or grouping large numbers of Customers, homogeneously and recognizes a loss allowance towards doubtful debts by estimating its expected losses. In this regard, an allowance matrix is used to measure the expected credit losses on trade receivables that are considered good. The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) on such trade receivables:

(` / Crore)

Past due	31.03.2021			31.03.2020		
	Gross carrying amount	Weighed average loss rate	Loss allowance	Gross carrying amount	Weighed average loss rate	Loss allowance
0-90 days	6,350.34	0.05%	3.29	3,611.32	0.03%	1.25
91-360 days	352.21	1.73%	6.10	292.03	1.17%	3.42
More than 360 days	487.58	63.73%	310.75	210.76	83.15%	175.25
	7,190.13		320.14	4,114.11		179.92

The movement in loss allowance on trade receivables is as follows:

	(` / Crore)
Balance as at 01.04.2019	167.14
Add : Loss allowance recognised	12.99
Less : Amounts written off	0.21
Balance as at 31.03.2020	179.92
Add : Loss allowance recognised	140.59
Less : Amounts written off	0.37
Balance as at 31.03.2021	320.14

The amounts written off relate to customers who have defaulted payments and are not expected to be expected to pay their outstanding balances, mainly due to economic circumstances.

Cash and cash equivalents:

The Group held cash and cash equivalents of ` 480.38 Crore as at 31.03.2021 (31.03.2020: ` 204.76 Crore). The cash and cash equivalents (other than cash on hand) are held with Scheduled banks. The Group invests its surplus funds for short duration in fixed deposit with banks, Govt of India T-bills and liquid Schemes of Mutual Funds, all of which carry no mark to market risks as the Group is exposed only to low credit risk.

Derivatives:

The forex and interest rate derivatives are entered into with banks having an investment grade rating. Commodity derivatives are entered with reputed Counterparties in the OTC (Over-the-Counter) Market. The exposure to counter-parties are closely monitored and kept within the approved limits.

Investment in debt securities:

Investment are made in government securities or bonds which do not carry any credit risk, being sovereign in nature.

39.B.2. Liquidity risk:

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. Group has a strong focus on effective management of its liquidity to ensure that all business and financial commitments are met on time. The Group has adequate borrowing limits in place duly approved by its Shareholders and Board. Group's sources of liquidity includes operating cash flows, cash and cash equivalents, fund and non-fund based lines from banks and liquid investment portfolio. Group ensures that there is minimal concentration risk by diversifying its portfolio across instruments and counterparties. Cash and fund flow management is monitored daily in order to have smooth and continuous business operations.

(i) Financing arrangements:

The Group has an adequate fund and non-fund based lines from various banks. The Group has sufficient borrowing limits in place duly, approved by its Shareholders and Board. Domestic and international credit rating from reputed credit rating agencies enables access of funds both from domestic as well as international market. Group's diversified source of funds and strong operating cash flow enables it to maintain requisite capital structure discipline. Group diversifies its capital structure with a mix of instruments and financing products across varying maturities and currencies. The financing products include syndicated loans, foreign currency bonds, TREPS loan, commercial paper, non-convertible debentures, buyer's credit loan, clean loan etc. Group taps domestic as well as foreign debt markets from time to time to ensure appropriate funding mix and diversification of geographies.



(ii) Maturities of financial liabilities

The amounts disclosed in the table below are the contractual undiscounted cash flow:

(₹ / Crore)

	Contractual cash flows					
	31.03.2021			31.03.2020		
	Upto 1 year	1-3 years	more than 3 years	Upto 1 year	1-3 years	more than 3 years
Non-derivative financial liabilities						
Borrowings and interest thereon	16,759.60	12,596.12	15835.12	21,911.15	6,595.60	18,441.59
Trade payables	17,798.65	-	-	11,489.23	-	-
Other financial liabilities	3,607.15	-	16,131.84	3,246.59	-	15,436.80
Total	38,165.40	12,596.12	31,966.96	36,646.97	6,595.60	33,878.39
Derivative financial liabilities						
Interest rate swaps	-	-	-	(4.35)	-	-
Commodity contracts (net settled)	3.36	-	-	60.44	-	-
Forward exchange contracts (Gross settled)	-	-	-	-	-	-
- Inflows	-	-	-	-	-	-
- Outflows	-	-	-	-	-	-
Total	3.36	-	-	56.09	-	-

39.B.3. Market Risk - Market Risk is further categorised in (i) Currency risk , (ii) Interest rate risk & (iii) Commodity risk:

39.B.3.1. Currency risk:

The Group is exposed to currency risk, primarily on account of its repayment obligations of loans taken in foreign currency and imports, to be paid in foreign currency. The exposure is mainly denominated in U.S. Dollar. The Group has a Forex Risk Management Cell (FRMC) which actively review the forex and interest rate exposures. The Group uses generic derivative contracts to mitigate the risk of changes in foreign currency exchange rates in line with Corporation's forex risk management policy. The Group does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk - The currency profile of financial assets and financial liabilities is as below:

(₹ / Crore)

	31.03.2021		31.03.2020	
	INR	Exposure in USD (INR terms)	INR	Exposure in USD (INR terms)
Financial assets				
Non-current investments	341.96	-	229.93	-
Current investments	5,417.58	-	5,344.86	-
Long-term loans	979.21	-	1,409.48	-
Short-term loans	126.33	-	409.86	-
Trade receivables	6,334.70	535.29	3,759.91	174.28
Cash and Cash Equivalents	480.38	-	204.76	-
Other Bank Balances	94.54	-	18.36	-
Others Non Current Financial Assets	16.39	-	6.29	-
Others Current Financial Assets	1,970.57	5.20	7,954.39	16.04
Exposure for assets - A	15,761.66	540.49	19,337.84	190.32

(` / Crore)

	31.03.2021		31.03.2020	
	INR	Exposure in USD (INR terms)	INR	Exposure in USD (INR terms)
Financial liabilities				
Long term borrowings & Lease Liabilities	16,573.76	12,225.32	13,169.92	14,555.45
Short term borrowings	12,789.08	2,120.57	10,030.01	6,246.11
Trade Payables	12,174.09	5,624.56	7,331.75	4,140.80
Other Financial Liabilities	19,765.23	10.76	18,674.60	96.27
	61,302.16	19,981.21	49,206.28	25,038.63
Less: Foreign currency forward exchange contracts	-	-	-	-
Exposure for liabilities - B	61,302.16	19,981.21	49,206.28	25,038.63
Net exposure (Assets - Liabilities)(A - B)	(45,540.50)	(19,440.72)	(29,868.44)	(24,848.31)

The following exchange rates have been applied during the year:

INR	31.03.2021	31.03.2020
USD 1	73.12	75.67

Sensitivity analysis:

The table below shows sensitivity of open forex exposure of the Group to USD/INR currency movement. The impact of exposure to a currency movement in the range of 1% (+ /-) change, increase denoting appreciation in USD Vs. INR & vice versa is explained through the said Table. The indicative 1% movement is not directional and does not reflect management's forecast on currency movement.

Effect in INR	Impact on profit or (loss) due to 1% increase / decrease in currency (` / Crore)			
	Increase	Decrease	Increase	Decrease
	31.03.2021		31.03.2020	
1% movement				
USD	(194.41)	194.41	(248.48)	248.48

39.B.3.2. Interest rate risk

The Group has long-term foreign currency syndicated loans with floating rate of interest, which exposes the Group to cash flow interest rate risk. The borrowings at floating rate are denominated in USD. The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under this, the Group agrees with other Parties to exchange at specified intervals (i.e. quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. The Group monitors the interest rate movement and manages the interest rate risk, based on the Group's Forex Risk Management Policy. The Group also has a Forex Risk Management Cell (FRMC) that actively reviews the forex and interest rate exposures. The Group does not use derivative financial instruments for trading or speculative purposes.

The Group's borrowings, contracted at fixed rate are carried at amortised cost. These are not impacted to interest rate risk as defined in Ind AS 107 as neither the carrying amount nor the future cash flows will fluctuate in the event of a change in market interest rates.



The derivative financial instrument used in hedging the interest rate risk is as under:

(` / Crore)					
Category	Instrument	Currency	Cross Currency	31.03.2021	31.03.2020
Hedges of floating rate foreign currency loans(\$ 0 mn (31.03.2020: \$ 250 mn)	Interest rate swaps	USD	INR	-	1,891.63

Interest rate risk exposure:

The Group's interest rate risk arises mainly from borrowings. The profile of the Group's interest-bearing financial instruments at period end is as follows:

(` / Crore)		
Carrying amount		
	31.03.2021	31.03.2020
Fixed-rate instruments		
Financial assets	5,626.81	5,514.08
Financial liabilities	29,984.12	24,216.94
Variable-rate instruments		
Financial assets	1,870.26	2,652.33
Financial liabilities	10,699.72	17,291.10

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25 basis points in interest rates at Reporting Date would have impacted profit or loss [increased/ (decreased)] by the amounts shown below. The indicative 25 basis point (0.25%) movement is directional and does not reflect management forecast on interest rate movement. This analysis assumes that all other variables, in particular, foreign currency exchange rate remaining constant.

	Impact on Profit or (loss) (In ` Crore)			
	25 bp increase	25 bp decrease	25 bp increase	25 bp decrease
	31.03.2021		31.03.2020	
Floating rate borrowings	(17.88)	17.88	(29.47)	29.47
Interest rate swaps (notional principal amount)	-	-	4.14	(4.14)
Cash flow sensitivity (net)	(17.88)	17.88	(25.33)	25.33

39.B.3.3. Commodity Risk

The Group's Profitability is exposed to the risk of fluctuation in prices of Crude Oil and Petroleum products in international markets. Group monitors and reduces the impact of the volatility in International Oil prices based on approved Oil Price Risk Management Policy by entering into derivative contracts in the OTC market.

The Group also has Oil Price Risk Management Committee (OPRMC) which actively reviews and monitors risk management principles, policies and risk management activities.

Category-wise quantitative break-up of Commodity derivative contracts entered into by the Group which are Outstanding as at Balance Sheet date is given below:

	Quantity (in million Barrels)	
	31.03.2021	31.03.2020
Crude/Product Swaps	1.11	4.23

The sensitivity to a reasonable possible change of 10% in the price of crude/product swaps on the outstanding Commodity derivative/paper contracts as on Balance Sheet date would increase/decrease the profit or loss by amounts shown below. This 10% movement is directional and does not reflect any forecast of price movement:

	Effect on Profit before Tax (In ` Crore)			
	10% Increase	10% Decrease	10% Increase	10% Decrease
	31.03.2021		31.03.2020	
Crude/Product Swaps	(14.01)	11.56	2.80	(2.80)

Derivatives & Hedging

The Group enters into derivative contracts for hedging purpose, to mitigate the commodity price risk, on Highly probable forecast transactions as detailed above. The Group has applied Hedge Accounting on commodity derivative transactions entered subsequent to 01 January 2020 as per Ind AS 109 (Financial Instruments). Consequent to this a Mark to Market debit amounting to ` 1.14 Crore (2019-20 : ` 24.11 Crore) has been accounted in Other Comprehensive Income which will be recycled to Statement of Profit and Loss in subsequent period on settlement of respective contracts.

All these hedges are accounted for as Cash Flow Hedges.

Hedge Effectiveness:

The Group has established a hedge ratio of 1:1 for the hedging relationship as the underlying risk of the commodity forward contracts are identical to the hedged risk component. Hedge item and the hedging instruments have economic relationship as the terms of the commodity forward contracts match with the terms of hedge items. Considering the economic relationship and characteristics of the hedging instrument being aligned to the hedged item, the fair value changes in the hedging instrument reasonably approximates the fair value changes in the hedged Item (in absolute amounts).

Source of Hedge Effectiveness:

The Group has identified the following sources of hedge ineffectiveness which are not expected to be material:

- Counterparty Credit Risk impacting the fair value of the hedge instrument and hedge item.
- Difference in the timing of the cash flows of the hedged items and the hedge instruments
- Different indexes used to hedge risk of the hedged item.
- Changes to forecasted amounts of cash flows of hedged items and hedging instruments.



Disclosures of effects of Cash Flow Hedge Accounting:

The Group has applied Hedge Accounting prospectively for the highly probable forecast transactions as stated above, entered after 01 January 2020. Consequently, disclosure is made only for the transactions designated for Hedge Accounting.

The Corporation is holding the following derivative contracts:

(` / Crore)

As at March 31, 2021	Maturities					Total
	Less than 1 Month	1-3 Months	3-6 Months	6-12 Months	More than 12 Months	
Commodity Forward Contracts						
Nominal Volume (Quantity in Mn Barrels)	-	0.50	0.30	-	-	0.80
Nominal amount (` / Crore)	-	97.26	18.30	-	-	115.55

(` / Crore)

As at March 31, 2020	Maturities					Total
	Less than 1 Month	1-3 Months	3-6 Months	6-12 Months	More than 12 Months	
Commodity Forward Contracts						
Nominal Volume (Quantity in Mn Barrels)	-	0.45	0.38	0.15	-	0.98
Nominal amount (` / Crore)	-	24.06	15.85	10.47	-	50.38

The Impact of Hedging Instruments in Balance sheet is as under:

(` / Crore)

	Commodity forward contract- Margin Hedging	
	31.03.2021	31.03.2020
Nominal Amount	115.55	50.38
Carrying Amount	(1.14)	(24.11)
Line item in Balance sheet that include Hedge Instrument	Other Financial Assets/Other Financial Liabilities	Other Financial Assets/Other Financial Liabilities

The Impact of Cash flow Hedge in the statement of Profit and Loss and Other comprehensive Income (OCI):

(` / Crore)

	Highly Probable Forecast Transaction	
	2020-21	2019-20
Hedging Gain / (Loss) recognised in OCI*	(1.14)	(24.11)
Income tax on Above	0.29	6.07
Net amount recognised in Cash flow Hedge Reserve	(0.85)	(18.04)
Amount reclassified from Cash flow hedge reserve to Statement of Profit and Loss	(24.11)	-
Income tax on above	6.07	-
Line item in the Statement of Profit and Loss that includes the reclassification adjustment	Revenue/ Purchases	Revenue/ Purchases

* The Group expects that the amount of Loss recognised in cash flow hedge reserve through Other comprehensive income (OCI) will be recovered in future period through gains in underlying transactions.

39.B.3.4. Price risk

The Group's exposure to equity investment has price risk. Such investments are designated at fair value through Other Comprehensive Income, as these investments are held for long-term strategic purposes.

Sensitivity

The table below summarises the impact of increase/decrease in price:

	Equity Instruments through OCI (In ` Crore)			
	1%	1%	1%	1%
	Increase	Decrease	Increase	Decrease
	31.03.2021		31.03.2020	
Equity Investment in Oil India Ltd.	3.28	(3.28)	2.21	(2.21)

39.C.1. Offsetting

The financial instruments that are otherwise eligible for offset and other similar arrangements but are not offset, as at period end. The column 'net amount' shows the impact on the Group's balance sheet if all set-off rights are exercised.

(` / Crore)

	Effect of offsetting on the Balance Sheet			Related amounts not offset	
	Gross amounts (A)	Gross amounts set off in the Balance Sheet (B)	Net amounts presented in the Balance Sheet (C) (A-B)	Amounts not Offset (D) (Other than (B))	Net Amount (E) (C-D)
31st March, 2021					
Financial assets					
Trade Receivables	8,060.56	(1,190.57)	6,869.99	-	6,869.99
Financial liabilities					
Trade Payables	18,989.22	(1,190.57)	17,798.65	-	17,798.65
Other Current Financial Liabilities	20,778.02	-	20,778.02	-	20,778.02
31st March, 2020					
Financial assets					
Trade Receivables	7,731.91	(3,797.71)	3,934.20	(138.22)	3,795.98
Financial liabilities					
Trade Payables	15,270.26	(3,797.71)	11,472.55	-	11,472.55
Other Current Financial Liabilities	23,385.91	-	23,385.91	(138.22)	23,247.69

40. Tax expense**(a) Amount recognised in Statement of Profit and Loss**

(` / Crore)

	2020-21	2019-20
Current tax expense		
Current year	3,569.56	166.95
Changes in estimates relating to prior years (refer Note 40(e))	(0.42)	103.92
Deferred tax expense		
Origination and reversal of temporary differences	(52.08)	116.73
Changes in estimates relating to prior years (refer Note 40(e))	17.05	(1,652.04)
Tax expense recognised	3,534.11	(1,264.44)


(b) Amount recognised in Other Comprehensive Income:

(₹ / Crore)

	2020-21			2019-20		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
Items that will not be reclassified to profit or loss:						
Remeasurements of the defined benefit plans	(123.14)	31.02	(92.12)	(211.73)	53.15	(158.58)
Items that will be reclassified to profit or loss:						
Effective Portion of Gains/(loss) in a Cash Flow Hedge	(1.14)	0.29	(0.85)	(24.11)	6.07	(18.04)

(c) Reconciliation of effective tax rate

	2020-21		2019-20	
	%	(₹ / Crore)	%	(₹ / Crore)
Profit before tax		14,197.00		1,374.29
Tax as per Corporate Tax Rate	25.168%	3,573.10	25.168%	345.88
Tax effect of:				
Non-deductible tax expenses	0.336%	47.70	(0.236%)	(3.25)
Tax-exempt income	(0.555%)	(78.73)	0.466%	6.41
Interest expense u/s 234B/C not deductible for tax purposes	0.078%	11.01	0.000%	-
Deduction for research and development expenditure	0.000%	-	0.000%	-
Share in profit/ loss of equity accounted investees	(0.246%)	(34.90)	8.379%	115.15
Losses of Subsidiary not available for set-off in Group profit	0.192%	27.30	2.237%	30.74
Deferred tax assets on Unrealised profits	0.190%	27.04	0.619%	8.51
Deferred tax Liability on Undistributed earnings	0.000%	-	(15.155%)	(208.28)
Adjustments recognised in current year in relation to the current tax of prior years	0.117%	16.63	(112.648%)	(1,548.11)
Others	(0.388%)	(55.04)	(0.836%)	(11.49)
Income Tax Expense	24.893%	3,534.11	(92.007%)	(1,264.44)

(d) Movement in deferred tax balances

(` / Crore)

	Net balance 01.04.2020	Recognised in profit or loss	Recognised in OCI	Net balance 31.03.2021
Deferred Tax Asset				
Provision for Employee Benefits	134.76	10.42	-	145.18
Current investments	(15.55)	(18.30)	-	(33.85)
Provision for Doubtful Debts & Receivables	175.04	197.74	-	372.78
Disallowance u/s 43B	16.14	0.20	-	16.34
Others	137.50	85.71	(5.78)	217.43
	447.89	275.77	(5.78)	717.88
Deferred Tax Liabilities				
Property, plant and equipment	5,909.13	270.96	-	6,180.09
Undistributed earnings	(0.00)	-	-	(0.00)
Others	30.20	(30.20)	-	0.00
	5,939.33	240.76	-	6,180.09
Deferred Tax (Assets) / Liabilities	5,491.44	(35.01)	5.78	5,462.21

(` / Crore)

	Net balance 01.04.2019	Recognised in profit or loss	Recognised in OCI	Net balance 31.03.2020
Deferred Tax Asset				
Provision for Employee Benefits	159.73	(23.99)	(0.98)	134.76
Current investments	70.37	(85.92)	-	(15.55)
Provision for Doubtful Debts & Receivables	166.98	8.06	-	175.04
Disallowance u/s 43B	89.65	(73.51)	-	16.14
Others	109.78	21.65	6.07	137.50
	596.51	(153.71)	5.09	447.89
Deferred Tax Liabilities				
Property, plant and equipment	7,736.71	(1,827.58)	-	5,909.13
Undistributed earnings	240.10	(240.10)	-	(0.00)
Others	15.95	14.25	-	30.20
	7,992.76	(2,053.43)	-	5,939.33
Deferred Tax (Assets) / Liabilities	7,396.25	(1,899.72)	(5.09)	5,491.44

- (e) Provision for tax for earlier years ` 16.63 Crore (2019-20: ` (1,548.11) Crore) comprising of additional provision towards current tax of ` 7.18 Crore (2019-20 : ` 172.33 Crore), additional provision towards deferred Tax of ` 17.05 Crore (2019-20: ` (1,652.03) Crore) and recognition of MAT credit Entitlements of ` 7.60 Crore (2019-20: ` 68.41 Crore).

The Provision for Tax for earlier years includes an additional amount of ` 11.79 Crore (2019-20: ` 623.01 Crore) provided during year, pursuant to filing of declaration and acceptance by Income tax department under Vivad Se Vishwas Scheme, 2020 (opted in FY 2019-20), leading to revised tax liability of ` 776.66 Crore vis.a.vis. earlier determination of ` 764.87 Crore, accounted till previous financial years. The proceedings have not been concluded.

**41. Revenue from Contracts with Customers**

The revenue is recognised only upon satisfaction of performance obligation and whenever there are remaining performance obligations, the same is recognised as revenue, a) in case of amount received in advance from a Customer, when the product is delivered to the Customer, b) in case of loyalty points earned by Customer, when such points are redeemed / expire. Such remaining obligations, termed as Contract Liability under the IND-AS 115 'Revenue Recognition' at period end together with Trade Receivable is as under:

	(` / Crore)	
	2020-21	2019-20
Trade Receivables	6,869.99	3,934.19
Liabilities under contractual obligation	1,044.78	1,046.95

During the financial year, the Group recognized revenue of ` 801.78 Crore (2019-20: ` 836.60 Crore) arising from opening unearned revenue.

42. Disclosures as per Ind AS 116 'Leases' are as follows

The Group enters into lease arrangements for underlying assets such as land, office premises, staff quarters. Upon 1st time adoption of Ind AS 116 in financial year 2019-20, the Group had chosen modified retrospective approach with exercising of options to use certain practical expedients. 'Lease Liability' and 'Right-of-use Assets', wherever the term of lease is in excess of 12 months have been appropriately disclosed, unless the underlying Asset is of low value.

A. Maturity analysis of lease liabilities:

The amounts disclosed in the table below are the contractual undiscounted cash flow:

	(` / Crore)	
	31.03.2021	31.03.2020
Less than one year	322.38	269.54
Between one and three years	632.97	512.92
More than three years	5,682.52	5,092.23
	6,637.87	5,874.69

B. Other Disclosures:

	(` / Crore)	
Particulars	31.03.2021	31.03.2020
a) Expense relating to short-term leases	846.16	781.06
b) Expense relating to leases of low-value assets*	5.21	4.89
c) Expense relating to variable lease payments not included in the measurement of lease liabilities	4,826.02	4,512.62
d) Income from sub-leasing of 'right-of-use'	45.46	60.95
e) Interest expense on lease liabilities	245.46	203.69
f) Total cash outflow for leases	310.55	267.78

* Lease of items such as Personal Computers, Laptops, Printers, Photocopiers, Scanners etc., small items of furniture & fixtures and Other Office Equipment including Digital devices and Point of Sales Machines provided at customer touch points are treated as low-value leases under Ind-AS 116, Leases.

C. The following are the carrying values of Right-of-use (ROU) assets:

(` / Crore)

Particulars	Class of Underlying Asset			
	Land	Buildings	Plant & Equipment	Total
Gross Block				
As on 01.04.2020	3,448.90	54.33	-	3,503.23
Additions	537.78	71.55	25.25	634.58
Additions - Business Combination (Refer Note 1.3.3)	103.47	-	-	103.47
Deductions/ Reclassifications	13.31	7.43	-	20.74
As on 31.03.2021	4,076.84	118.45	25.25	4,220.54
Depreciation/ Amortisation				
As on 01.04.2020	159.27	14.09	-	173.36
For the year	190.88	20.76	2.95	214.58
Deductions/ Reclassifications	5.12	7.43	-	12.55
As on 31.03.2021	345.03	27.42	2.95	375.39
Net Block as on 31.03.2021	3,731.82	91.03	22.30	3,845.15

43. Earnings per share (EPS)

Basic EPS is derived by way of dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year, whereas Diluted EPS factors the effects of all dilutive potential ordinary shares.

(` / Crore)

	2020-21	2019-20
Profit attributable to equity holders for basic and diluted earnings per share (A)	10,662.89	2,638.73
Weighted average number of shares for basic and diluted earnings per shares (B) (refer Note 19 H(ii))	1,511,057,676	1,523,822,625
Basic and Diluted Earnings per Equity Share (`) (A/B)	70.57	17.32

44. Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Group's debt to equity ratio, used for monitoring capital management is as follows:

(` / Crore)

	31.03.2021	31.03.2020
Long Term Borrowings (excluding Lease Liabilities) (refer note # 21)	25,774.19	25,231.92
Total Equity (refer Note # 19 and 20)	38,080.86	30,980.62
Debt to Equity ratio	0.68	0.81



45. Dividends

(` / Crore)

	31.03.2021	31.03.2020
(i) Dividends paid during the year		
Final dividend per fully paid share for the year ended 31.03.2020: ` 9.75 (31.03.2019: ` 9.40) This amount includes Dividend distribution tax of ` NIL (31.03.2019: ` 294.43 Crore).	1,485.73	1,726.82
(ii) Dividends to be paid, not recognised at the end of the reporting period		
The Board have recommended a final dividend of ` 22.75 per fully paid equity share (31.03.2020 : ` 9.75), subject to the approval of shareholders in the ensuing annual general meeting.	3,227.20	1,485.73

46. (a) Inter-Oil Company transactions are reconciled on a continuous basis. However, year end balances are subject to confirmation/reconciliation which is not likely to have a material impact.
- (b) Customer's accounts are reconciled on an ongoing basis and such reconciliation is not likely to have a material impact on the outstanding or classification of the accounts.

47. To the extent Micro and Small Enterprises have been identified, the outstanding balance, including interest thereon, if any, as at balance sheet date is disclosed on which Auditors have relied upon

(` / Crore)

Particulars	31.03.2021		31.03.2020	
	Liability towards Capital Expenditure	Trade Payables	Liability towards Capital Expenditure	Trade Payables
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:				
- Principal	492.09	131.99	339.55	113.75
- Interest	-	-	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:				
- Principal	-	-	-	-
- Interest	-	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-

(` / Crore)

Particulars	31.03.2021		31.03.2020	
	Liability towards Capital Expenditure	Trade Payables	Liability towards Capital Expenditure	Trade Payables
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

48. Related Party Disclosure

A. Name of the Related Party and the nature of the relationship:

1. Holding Company, Subsidiaries, Jointly controlled entities and Associates (Govt related entities, except otherwise mentioned):

(a) Holding Company

- i. Oil & Natural Gas Corporation Ltd.

(b) Subsidiaries

- i. HPCL Biofuels Ltd.
- ii. Prize Petroleum Company Ltd. (PPCL)
- iii. Prize Petroleum International Pte. Ltd. (a wholly owned subsidiary of PPCL)
- iv. HPCL Middle East FZCO
- v. HPCL Shapoorji Energy Pvt. Ltd. (refer Note 1.3.3)

(c) Jointly controlled entities

- i. HPCL Rajasthan Refinery Ltd.
- ii. Bhagyanagar Gas Ltd.
- iii. Petronet MHB Ltd.
- iv. Mumbai Aviation Fuel Farm Facility Pvt. Ltd.
- v. Godavari Gas Pvt. Ltd.
- vi. Aavantika Gas Ltd.
- vii. Ratnagiri Refinery & Petrochemicals Ltd.
- viii. Ujjwala plus foundation
- ix. HPOIL Gas Pvt. Ltd.
- x. IHB Pvt. Ltd.

(d) Jointly controlled entities (Other than Govt. related entities)

- i. HPCL-Mittal Energy Ltd.
- ii. Hindustan Colas Pvt. Ltd.
- iii. South Asia LPG Company Pvt. Ltd.
- iv. Petronet India Ltd. (in process of voluntary winding up w.e.f. 30th August 2018)



HINDUSTAN PETROLEUM CORPORATION LIMITED

(e) Associates

- i. GSPL India Gasnet Ltd.
- ii. GSPL India Transco Ltd.
- iii. Mangalore Refinery and Petrochemicals Ltd.

(f) Fellow Subsidiaries

- i. ONGC Mangalore Petrochemicals Ltd.

2. Key Management Personnel

- i. Shri Mukesh Kumar Surana, Chairman and Managing Director
- ii. Shri Pushp Kumar Joshi, Director - Human Resources
- iii. Shri Vinod S. Shenoy, Director - Refineries
- iv. Shri R. Kesavan, Director - Finance & CFO
- v. Shri Rakesh Misri, Director - Marketing
- vi. Shri V. Murali, Company Secretary (CS)

4. Independent Directors

- i. Shri G. Rajendran Pillai
- ii. Shri Amar Sinha (Upto 20th September 2020)
- iii. Shri Siraj Hussain (Upto 20th September 2020)

5. Government Nominee Directors

- i. Shri Sunil Kumar
- ii. Shri Subhash Kumar

Note: The disclosure requirements in respect of transactions with 'Govt. related entities', being exempted under Ind AS 24, the rest of Related Party Disclosures (i.e. Parties named in '1(d)' above & '1(b)v') are furnished as under:

B. Details of transactions with related parties:

	(` / Crore)	
	2020-21	2019-20
(i) Sale of goods		
HPCL-Mittal Energy Ltd.	35.73	132.63
Hindustan Colas Pvt. Ltd.	691.50	482.38
South Asia LPG Company Pvt. Ltd.	0.22	0.20
	727.45	615.21
(ii) Purchase of goods		
HPCL-Mittal Energy Ltd.	22,544.93	38,168.16
Hindustan Colas Pvt. Ltd.	240.85	82.58
	22,785.78	38,250.74
(iii) Dividend income		
HPCL-Mittal Energy Ltd.	-	50.03
Hindustan Colas Pvt. Ltd.	59.06	18.90
South Asia LPG Company Pvt. Ltd.	75.00	55.00
	134.06	123.93

(` / Crore)

	2020-21	2019-20
(iv) Services provided (Manpower Supply Service)		
HPCL-Mittal Energy Ltd.	0.36	0.67
Hindustan Colas Pvt. Ltd.	2.53	2.73
South Asia LPG Company Pvt. Ltd.	0.64	0.66
HPCL Shapoorji Energy Pvt. Ltd.	0.72	0.30
	4.25	4.36
(v) Lease rental income		
HPCL-Mittal Energy Ltd.	1.20	1.20
Hindustan Colas Pvt. Ltd.	0.51	0.26
South Asia LPG Company Pvt. Ltd.	1.71	1.16
	3.42	2.62
(vi) Other Income (Services provided)		
HPCL-Mittal Energy Ltd.	16.65	18.91
Hindustan Colas Pvt. Ltd.	3.96	3.61
	20.61	22.52
(vii) Others Expenses (Services availed)		
HPCL-Mittal Energy Ltd.	16.06	16.16
Hindustan Colas Pvt. Ltd.	1.01	4.23
South Asia LPG Company Pvt. Ltd.	92.27	91.03
	109.34	111.42
(viii) Investment in equity shares		
HPCL Shapoorji Energy Pvt. Ltd.	740.00	151.00
	740.00	151.00
	31.03.2021	31.03.2020
(ix) Receivables		
HPCL-Mittal Energy Ltd.	5.10	6.72
South Asia LPG Company Pvt. Ltd.	0.06	0.11
HPCL Shapoorji Energy Pvt. Ltd.	0.79	0.13
	5.95	6.96
(x) Payables		
HPCL-Mittal Energy Ltd.	2,528.52	1,363.04
Hindustan Colas Pvt. Ltd.	29.97	29.37
South Asia LPG Company Pvt. Ltd.	9.97	8.47
	2,568.46	1,400.88

C. Transactions with other Government-Controlled Entities

The Group is a Government related entity mainly engaged in the business of refining of crude oil and marketing of petroleum products. The Group also deals on regular basis with entities directly or indirectly controlled by the Central / State Governments through its Government authorities, agencies, affiliations and other organizations (collectively referred as "Government related entities").



Apart from transactions with Corporations' group companies, the Group has transactions with other Government related entities, including but not limited to the followings:

- sale and purchase of products;
- rendering and receiving services;
- leasing of vessels;
- depositing and borrowing money and
- use of public utilities.

These transactions are conducted in the ordinary course of the Group's business on terms comparable to those with other entities that are not Government related.

D. Remuneration paid to Key Management Personnel (KMP)*

(` / Crore)

No	Description	2020-21	2019-20
(i)	Short-term Employee Benefits	3.70	4.28
(ii)	Post-Employment Benefits	-	0.46
		3.70	4.74

* Remuneration to KMP has been considered from / to the date from which they became / ceased to be KMP.

E. Amount due from Key Management Personnel

(` / Crore)

No	Description	31.03.2021	31.03.2020
(i)	Shri Mukesh Kumar Surana	0.09	0.08
(ii)	Shri Pushp Kumar Joshi	-	0.16
(iii)	Shri Vinod S Shenoy	0.05	0.06
(iv)	Shri Rakesh Misri	0.07	0.07
(v)	Shri V. Murali	0.19	0.11
		0.40	0.48

F. Sitting Fee paid to Non-Executive Directors

(` / Crore)

Details of Meeting	Shri Amar Sinha	Shri Siraj Hussain	Shri G. Rajendran Pillai
Board	0.02	0.02	0.04
Audit Committee	0.02	0.02	0.01
Stakeholders Relationship Committee	-	-	0.00
Nomination & Remuneration Committee	-	-	0.00
CSR & SD Committee	0.00	-	0.01
Investment Committee	0.01	0.01	-
Independent Directors Meeting	-	-	0.00
Total Sitting Fees	0.05	0.05	0.06

49. The Group has entered into production sharing Oil & Gas exploration contracts in India in consortium with other body corporates. The details are as under:

Name of the Block	Participating Interest of Group in%	
	31.03.2021	31.03.2020
<u>In respect of HPCL</u>		
In India		
Under NELP IV		
KK-DWN-2002/2	20.00	20.00
KK-DWN-2002/3	20.00	20.00
CB-ONN-2002/3	15.00	15.00
Under NELP V		
AA-ONN-2003/3	15.00	15.00
Under NELP VI		
CY-DWN-2004/1	10.00	10.00
CY-DWN-2004/2	10.00	10.00
CY-DWN-2004/3	10.00	10.00
CY-DWN-2004/4	10.00	10.00
CY-PR-DWN-2004/1	10.00	10.00
CY-PR-DWN-2004/2	10.00	10.00
KG-DWN-2004/1	10.00	10.00
KG-DWN-2004/2	10.00	10.00
KG-DWN-2004/3	10.00	10.00
KG-DWN-2004/5	10.00	10.00
KG-DWN-2004/6	10.00	10.00
MB-OSN-2004/1	20.00	20.00
MB-OSN-2004/2	20.00	20.00
RJ-ONN-2004/1	22.22	22.22
RJ-ONN-2004/3	15.00	15.00
Under NELP IX		
MB-OSN-2010/2	30.00	30.00
Cluster - 7	60.00	60.00
<u>In respect of PPCL</u>		
In India		
South Rewa – PSC	10.00	10.00
Sanganpur – PSC	50.00	50.00
Hirapur – SC	50.00	50.00
Outside India		
Yolla Field (Australia) Licence T/L-1	11.25	11.25
Trefoil Field (Australia) Permit T/18P	9.75	9.75

**a) In Respect of HPCL**

- (i) The block CB-ONN-2002/3 was awarded under NELP IV bidding round and the production sharing contract was signed on 06.02.2004. The exploration Minimum Work Program has been completed. Production from SE# 3/4 wells of the Block is in progress, which had started during FY 2017-18. The share of the assets, liabilities, income and expenditure is considered based on the Management certified financials for the FY 2020-21.
- (ii) In respect of Cluster – 7, the matter is under litigation (refer Note No. 52.1). The share of the assets, liabilities, income and expenditure is considered based on the Management Certified financials for FY 2020-21.
- (iii) Other than (i) & (ii) above, the remaining blocks are in the process of relinquishment/ under relinquishment and the share of the assets, liabilities, income and expenditure, if any, is considered based on information received from these blocks.

b) In Respect of PPCL**1.1. ONGC Onshore Marginal Fields**

The Company was awarded Service Contracts dated 28th April, 2004, for development of ONGC's Hirapur, Khambel and West Bechraji onshore marginal oil fields.

The Company executed Agreements for development of Hirapur, Khambel and West Bechraji onshore marginal fields with Valdel Oil and Gas Private Limited (VALDEL) with equal share in the Service Contracts. The Service Contracts in respect of Khambel and West Bechraji had been terminated in February, 2009 by ONGC and the Service Contract with respect to Hirapur field is operating currently. The Company's share of assets and liabilities as at 31st March 2021 and the Income and expenditure for the year in respect of above joint venture is as follows:

(` / Crore)		
Particulars	2020-21	2019-20
A. Property, Plant & Equipment (Gross)	9.99	9.99
B. Intangible asset under development	1.36	1.36
C. Other Net Non-Current Assets	0.29	0.19
D. Net Current Assets (*)	4.11	3.45
E. Income	0.65	0.83
F. Expenditure	1.82	1.61

(*) Includes receivable from joint venture amounting to ` 3.92 Crore (2019-20: ` 2.74 Crore.).

1.2. Sangapur Field

The Company acquired 50% participating interest in Sangapur field from M/s Hydrocarbon Development Company Pvt. Ltd. (HDCPL) effective 1st September, 2004. Accumulated amount prior to acquisition of Sangapur field amounting ` 1.18 Crore have been included in Sangapur field Assets. The Company has accounted its proportionate share in the Sangapur field based on estimated un-Audited accounts as at 31st March, 2017.

In FY 2014-15, the operator of the block M/s HDCPL has committed default in the payment to its contractor. The petition was filed by contractor ETA Star Golding limited for non-payment of its invoices by M/s HDCPL in their another asset wherein Bombay High Court vide order dated 14th Nov, 2014 in Company Petition 550 of 2013 had passed order for appointment of liquidator for assets and business of Company M/s HDCPL. However, as per Production Sharing contract (PSC), the ownership of underlying hydrocarbon lies with GoI, hence Sangapur field was not attached and operations in the field were continued. Further, MoP&NG vide its letter dated June 2, 2017 has terminated the PSC and all operations in the field were called off. Since the appointment of official liquidator, the bank account of HDCPL were seized, HDCPL has neither raised any invoice to IOCL for transfer of crude nor raised any cash call to PPCL for operation in the field. The payment of Royalty and Cess to concerned authorities are also pending since then.

Said order of Bombay High Court was challenged by HDCPL before its Division Bench and is still pending before the Court. In the meantime, HDCPL had initiated an arbitration proceeding against MoPNG for termination of PSC. However, PPCL is not a part

of it. Under Section 9 of Arbitration and Conciliation Act, Directorate General of hydrocarbon (DGH) on behalf of MoP&NG has initiated proceeding for possession of the field.

MoP&NG vide its letter dated June 2, 2017 has terminated the PSC. Accordingly, Company had created a 'Provision for Write-off of Sangapur Assets' of ₹ 6.65 Crore in FY 2017-18 (FY 20-21 – NIL).

The Company's share of assets and liabilities as at 31st March 2021 and the Income, expenditure for the year in respect of above joint venture is as follows:

(₹ / Crore)		
Particulars	2020-21	2019-20
A. Property, Plant & Equipment (Gross)	-	-
B. Other Net Non-Current Assets	(0.02)	(0.02)
C. Net Current Assets (*)	(0.10)	(0.10)
D. Income	-	-
E. Expenditure	-	-

(*) Includes payable to joint venture amounting to ₹ 0.04 Crore (2019-20: ₹ 0.04 Crore)

1.3. ONGC Offshore Marginal Fields (Cluster-7)

The Company along with Consortium member, M/s Hindustan Petroleum Corporation Limited (HPCL) (PI - 60%) and M/s M3nergy (PI – 30%) was awarded a Contract vide letter of award dated 31st March, 2006 for the development of ONGC's offshore marginal Oilfields viz. B -192, B - 45 and WO – 24. The Service Contract for Cluster-7 was signed on 27th September, 2006 between ONGC and Consortium members. The Company is the Executing Contractor and its participating interest (PI) is 10%.

The said Service Contract was terminated by ONGC. Subsequently, Group started arbitration proceedings against M3nergy which are still in progress, hence the joint bank account has not been closed.

1.4. SR – ONN – 2004 / 1 (South Rewa Block):

The Company along with Consortium member M/s Jaiprakash Associates Limited (PI - 90%) was awarded PSC for the SR-ONN-2004/1 block vide letter dated 12th February, 2007 of Ministry of Petroleum & Natural Gas (MOP & NG) under NELP – VI round. The Company is the executing contractor and its PI is 10%. The PSC was signed on 2nd March, 2007.

Consortium has proposed to relinquish the block effective from 23rd October, 2014 and Operating Committee Resolution (OCR) for relinquishment of the block has been submitted to Directorate General of Hydrocarbon (DGH). DGH vide its letter dated Feb. 5, 2018 has communicated that the Block stands relinquished with effect from 23.10.2014 subject to the compliance of PSC and the P&NG rules.

The South Rewa Block has standing inventory of ₹ 3.76 Crore in which the company has share of 10%. The company is in the process of carrying out elaborate valuation of the inventory for further disposal. The same has been recorded at cost.

The Company's share of assets and liabilities as at 31st March, 2021 in respect of above joint venture is as follows:

(₹ / Crore)		
Particulars	2020-21	2019-20
A. Property, Plant & Equipment (Gross)	0.00	0.00
B. Intangible asset under development	-	-
C. Other Net Non-Current Assets	0.01	0.01
D. Net Current Assets (*)	3.06	3.08
E. Expenditure	0.01	0.00

(*) Includes receivables from joint venture amounting to ₹ 2.68 Crore (2019-20: ₹ 2.70 Crore)



2. Estimated Hydrocarbon Proven Reserves as on 31st March, 2021 in the Oil fields as follows:

a) Domestic Operations (Hirapur - On-shore Marginal Fields)

Particulars	2020-21		2019-20	
	MM BBLS	MMT	MM BBLS	MMT
Recoverable Reserves (*)	2.344	0.315	2.368	0.318

(*) The Company Share is 50% of total.

b) International Operations (Yolla Field, Australia – License T/L 1 – Offshore Field)

Particulars	2020-21	2019-20
	MM BoE	MM BoE
Recoverable Reserves (*)	1.036	1.237

(*) For respective share of the Company

3. Quantitative Particulars of Petroleum:

Total Dry Crude Production	2020-21	2019-20
	BoE	BoE
Hirapur Field (*)	11,823	14,101
Yolla Field (T/L1) Australia	283,149	287,559
Total Dry Crude Production	294,972	301,660

(*) For total share in Field.

50. Considering the Government policies and modalities of compensating the oil marketing companies towards under-recoveries, future cash flows have been worked out based on the desired margins for deciding on impairment of related Cash Generating Units. Since there is no indication of impairment of assets as at Balance Sheet date as per the assessment carried out, no impairment has been considered. In view of assumptions being technical, peculiar to the industry and Government policy, the auditors have relied on the same.

51. During the financial year 2020-21, Group has spent ` 156.35 Crore (2019-20: ` 182.24 Crore) towards Corporate Social Responsibility (CSR) as against the budget of ` 129.97 Crore (2019-20: ` 182.13 Crore)

		(` / Crore)	
No	Head of Expenses	2020-21	2019-20
1	Promoting Education	10.10	39.58
2	Promoting Health Care	130.51	25.03
3	Empowerment of Socially and Economically Backward groups	6.56	6.64
4	Promotion of Nationally recognized and Para-Olympic Sports	-	0.88
5	Imparting Employment by Enhancing Vocation Skills	2.50	41.27
6	Swachh Bharat Abhiyaan	3.77	27.22
7	Environment Sustainability	-	36.80
8	Others	2.91	4.82
		156.35	182.24

Amount spent during the Financial year 2020-21 on:

		(` / Crore)		
No	Details	In cash	Yet to be paid in cash	Total
(i)	Construction/Acquisition of assets controlled by the Group	-	-	-
(ii)	On purpose other than (i) above	155.02	1.33	156.35

Amount spent during the Financial year 2019-20 on:

(₹ / Crore)

No	Details	In cash	Yet to be paid in cash	Total
(i)	Construction/Acquisition of assets controlled by the Group	-	-	-
(ii)	On purpose other than (i) above	162.69	19.55	182.24

Excess amount spent during the financial year 2020-21:

(₹ / Crore)

	Opening balance	Amount required to be spent during the year	Amount spent during the year	Closing balance
	-	129.97	156.35	26.38

52. Contingent Liabilities and Commitments*

(₹ / Crore)

I. Contingent Liabilities	31.03.2021	31.03.2020
A. Disputed demands / claims subject to appeals / representations filed by the Group		
i. Income Tax	4.18	2.17
ii. Sales Tax/Octroi	1,677.90	1,887.20
iii. Excise/Customs	411.98	519.01
iv. Land Rentals & Licence Fees	238.92	224.97
v. Others	94.52	87.37
	2,427.50	2,720.72
B. Disputed demands / claims subject to appeals / representations filed against the Group		
i. Income Tax	1.42	3.11
ii. Sales Tax/Octroi	8.19	11.36
iii. Excise / customs	395.74	328.36
iv. Employee Benefits/Demands (to the extent quantifiable)	338.84	212.88
v. Claims against the Group not acknowledged as Debts (refer Note 52.1)	533.84	559.78
vi. Others	360.52	293.68
	1,638.55	1,409.17

* Contingent Liabilities considered as 'remote' as per Ind AS 37 are not included.

(₹ /Crore)

	31.03.2021	31.03.2020
II. Guarantees given to others:	1,730.37	1,761.03

(Includes ₹ 901.30 (31.03.20 : ₹ 791.51 Crore) towards share of jointly controlled entities and associates)

(Includes ₹ 266.94 Crore (31.03.20 : ₹ 276.25 Crore) towards share of jointly controlled operations)



52.1. The Group with a Participating Interest (PI) of 70% along with M/s M3nergy Sdn. Bhd (M/s M3nergy) (PI-30%) were awarded service contract in March, 2006 for development of ONGC's offshore marginal oilfields of cluster-7. PPCL was the executing contractor. Parties provided necessary Bank Guarantees to ONGC. Since M/s M3nergy could not meet their contractual obligations, the contract was terminated by ONGC and Bank guarantees were forfeited. The Group demanded the refund of the monies forfeited towards encashment of Bank Guarantee along with other claims from M/s M3nergy. A counter claim of 42.60 Million USD was made by M3nergy on termination of such service contract. The matter was referred to Arbitration.

The Arbitral Tribunal passed 3 Awards. The 1st Partial Award, the 2nd Partial Award and the Final Award. All three were in favour of the Group. The 1st partial arbitration award dated 09.01.2014 held that M3nergy has committed breach of the contract and hence their claims were disallowed and the Arbitral Tribunal held that Group is entitled for damages, which will be quantified later. The 2nd Partial Award dated 27.09.2017 allowed 2 claims of the Group, viz., (1) A claim of USD 91.3 million towards loss of profit (by a majority Award) and (2) a claim of recovery of damages by way of money lost due to encashment of Bank Guarantees of ` 41.60 Crore (by a unanimous Award). Both amounts were allowed with interest. Arbitral Tribunal passed final award as to cost vide Award dated 15.06.2018 thereby directing M3nergy to pay ` 4.82 Crore to the Group towards cost of arbitration.

All three Awards were challenged by M3nergy before the Bombay High Court. However, there was no stay granted by Bombay High Court, Hence, Group filed applications for (a) Mareva Injunction and (b) Enforcement of the Award before the Courts in Malaysia.

By Orders dated 10th January, 2019 the Bombay High Court set aside all three Arbitration Awards. As the Awards were set aside (on the basis of which the enforcement application was filed by HPCL), on 28.02.2019 the Malaysian High Court at Kuala Lumpur allowed the application of M3nergy to set aside the enforcement order with liberty to file fresh proceedings, if Group succeed later. Meanwhile, Group have filed Appeals against the setting aside order (of Single Judge Bombay High Court) before the Division Bench of the Bombay High Court. After hearing arguments of parties, on 16th of October, 2019 the Bombay High Court set aside the Single Judge's Order and remanded all the 3 matters back to the Single Judge of the Bombay High Court, to decide the matter afresh on merits. This Order was challenged by M3nergy before the Supreme Court by filing Special Leave Petition (SLP) which, after brief arguments, was dismissed as withdrawn (by M3nergy) on 31st January 2020. As a result, the Single Judge of Bombay High Court will hear the matter afresh on merits.

As a result, Group's share of the awarded amount which is approximately ` 490.87 Crore (91.30 Million USD @ exchange rate of ` 48.68/ US Dollar prevailing on January 6, 2009 plus ` 46.42 Crore towards loss of profit/damages/costs) and interest thereon has not been recognized on a conservative basis. Further, the claim raised by M3Energy to the extent of Group's share i.e. approximately ` 266.94 Crore (@ Exchange rate of 1 USD = ` 73.115), being considered remote is also not recognised.

52.2. In respect of PPCL

Company was awarded an Exploration block AA ONN 2010/1 in Tripura under NELP IX in consortium with ABG Energy Ltd (ABG). The Product Sharing Contract (PSC) was signed with Government of India (GOI) by the consortium on August 30, 2012. Company has 20% PI (Participating Interest) and ABG 80% PI. As per the Joint Bidding agreement, ABG will carry Company during the exploration phase i.e. Company's share of 20% expenditure during exploration phase shall be borne by ABG. In case of any discovery, 10% of Company's share paid by ABG will be recovered by them out of profit and 10% will be paid by them anyway. As per discussions before signing of PSC and written confirmation, ABG was to submit back up guarantee to Company to enable Company to submit bank guarantee to GOI for their share of 20%. The value of bank guarantee to be submitted by ABG to Company is USD 1.801 Million. ABG did not submit bank guarantee of their 80% share by due date to GOI. Also since back up guarantee was not submitted by ABG to Company, Company also could not submit the bank guarantee for their 20% share to GOI.

In view of non-submission, GOI terminated the PSC dated 30th August 2012 vide letter dated 15th October 2013 and has imposed liquidated damages of USD 9.143 Million vide letter dated 6thFeb 2015 as per Article 5.6 of PSC. Company has kept ABG on notice that it is their responsibility to pay the entire quantum of liquidated damages, including the share of Company, if Company is compelled to pay its share of liquidated damages by the GOI, and if such payment is made, then company will have to claim this money from ABG.

Company had invoked arbitration against ABG in the matter on 10th October 2016. After appointment of arbitrator on behalf of ABG by Delhi High Court Order dated 22nd September 2017, three-member tribunal has been constituted. The first preliminary sitting of the Arbitral Tribunal was held at New Delhi on 06.04.2018. On 30.10.2019 Arbitral Tribunal has passed award for an amount of USD 1.801 Million with interest

in favor of PPCL along with costs of proceedings subject to the condition that on receipt of the amount by PPCL from ABG, the said amount shall be passed on by PPCL to GOI within a period of three months from the date of receipt of the amount.

52.3. In respect of HBL:

EPCC Vendors – NCLT case: In the month of Oct 2018, one of the EPCC vendor has filed petition against HBL in NCLT, Kolkata Bench under IBC Code 2016 in which party has raised a claim of ₹ 19.90 Crore in lieu of unpaid operational debt, interest on alleged debt and legal expenses. On 12.02.2020, order against HBL was passed by NCLT, Kolkata accepting application/petition of our Vendor and thereby NCLT appointed Insolvency resolution Professional (IRP). However, being aggrieved, against the NCLT Kolkata Order, Group sought stay against execution of NCLT Kolkata order and Hon'ble Supreme court granted interim stay against the impugned order on 06.03.2020. The matter was heard on 26.02.2021 in Hon'ble Supreme Court and the court has allowed our appeal and remanded the matter to NCLAT, to decide the issue on merit.

(₹ / Crore)

III. Commitments	31.03.2021	31.03.2020
Estimated amount of contracts remaining to be executed on Capital Account not provided for	43,545.84	37,647.90

(Includes ₹ 23,442.61 Crore (31.03.20 : ₹ 15,281.67 Crore) towards share of jointly controlled entities and associates)

Note: The above are made based on estimates and expected timing of outflows is not ascertainable at this stage.

53. Expenditure incurred on Research and Development

(₹ / Crore)

	2020-21	2019-20
- Capital	145.60	127.27
- Revenue	150.06	130.65

(₹ / Crore)

	2020-21	2019-20
54. Interest on borrowings capitalized (weighted average cost of borrowing rate used for capitalization of general borrowing is 1.53% (2019-20 : 5.96%).	719.46	760.16

(₹ / Crore)

	2020-21	2019-20
55. Exchange Differences adjusted in the carrying amount of Assets during the accounting period	(70.21)	206.79

56. In compliance of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets', the requisite information with respect to movement in balance is as under:

(₹ / Crore)

Particulars	Opening Balance as on 01.04.2020	Additions	Utilization	Reversals	Closing Balance as on 31.03.2021
Excise	-	4.43	0.67	0.29	3.47
Sales Tax/Octroi/Entry Tax	200.62	194.93	1.47	17.09	376.99
Others	526.59	376.64	131.81	47.34	724.08
Net	727.21	576.00	133.95	64.72	1,104.54



(₹ / Crore)

Particulars	Opening Balance as on 01.04.2019	Additions	Utilization	Reversals	Closing Balance as on 31.03.2020
Excise	0.59		0.50	0.09	-
Sales Tax/Octroi/Entry Tax	428.31	1.40	95.27	133.82	200.62
Service Tax	13.50	0.26	6.28	7.48	-
Others	428.75	157.56	0.88	58.84	526.59
Net	871.15	159.22	102.93	200.23	727.21

The above provisions are made based on estimates and expected timing of outflows is not ascertainable at this stage.

57. The Pradhan Mantri Ujjwala Yojana (PMUY) was launched in 2016 to provide LPG connections to women from BPL households. Under the scheme, no charges towards the deposit of equipment and cost of Suraksha hose were to be collected from the beneficiary. An amount of ₹ 1,600 per connection is paid by the Oil Marketing Companies (OMC) to the Distributor and the Government reimburses OMC's an amount of ₹ 1,600 per connection towards the same. For the purchase of the stove (cost ₹ 990/-) as well as for cost of the first fill (prevailing rate at the time of installation), the beneficiary is given an option to avail loan from OMC. This loan is to be recovered from the subsidy payable to the consumer on purchase of the refill cylinder. The total loan disbursed to Consumers under (PMUY), since inception is ₹ 2,963.01 Crore (31.03.2020: ₹ 2,963.75 Crore) and of this ₹ 1,882.25 Crore (31.03.2020: ₹ 1,966.21 Crore) is outstanding at period end. This is to be repaid out of the subsidy accruing to the consumer from the subsequent refill of cylinders. The overall consumer base is at 2.15 Crore (net of termination) and the consumption pattern of LPG is still evolving. Considering the consumption pattern of refills, level of subsidies and consequential impact on repayment of the loan, by following the principles of prudence and conservatism, an aggregate provision of ₹ 618.07 Crore (31.03.2020: ₹ 227.40 Crore) is estimated and recognized as on 31.03.2021, which includes a provision of ₹ 390.67 Crore (2019-20: ₹ 131.69 Crore) made during the financial year 2020-21. The expected credit loss estimate is reasonable. The Loan is considered as 'subsequently measured at amortized cost' in the financial statements. Considering the steep decline in the average subsidy of LPG during the year at ₹ 42/- (2019-20: ₹ 200/-) per cylinder and the consequential increase in loan tenure, the carrying value of loan outstanding as at Balance Sheet date requires re-measurement based on revised estimates of future cash flows. Such re-measurement resulted in reduction in gross carrying amount of outstanding loan by a ₹ 450.62 Crore (2019-20: ₹ NIL). Further, considering the recognition of Interest Income of ₹ 177.51 Crore during the year on this Loan, both having been recognized in the Statement of Profit and Loss during the year, the net impact is a reduction in fair-valuation of loan by ₹ 273.11 Crore. The carrying amount of outstanding loan at period end after considering loans disbursed/recovered during the year is ₹ 1,080.85 Crore (2019-20: ₹ 1,437.95 Crore).
58. The Corporation implements various Government of India schemes such as PMUY, Direct Benefit Transfer scheme wherein the amount is either received in advance or reimbursed subsequently. As of 31.03.2021, reimbursements amounting to ₹ 215.92 Crore (31.03.2020: ₹ 2,518.00 Crore) are pending for a period beyond 6 months. Being dues from Government, no provision has been considered necessary.
59. During the financial year, Pradhan Mantri Garib Kalyan Yojana (PMGKY) was rolled out by Government of India (GOI) as a COVID relief measure. The scheme entailed PMUY Consumers to avail a sequential advance towards purchase of three free refill cylinders. A total of 3.81 Crore refills were delivered under the scheme towards which an advance amount of ₹ 2,601.86 Crore (2019-20: NIL) was disbursed. The scheme ended on 31.12.2020. The scheme mechanism enabled filing of claim with GOI towards reimbursement. Claims amounting to ₹ 2,510.28 Crore were settled leaving an amount of ₹ 91.58 Crore unsettled till date. This unsettled amount represents advance towards which either, the Consumers after availing advance, had not taken the refills, or claims by the Corporation, which were not settled fully pursuant to price variance between date of advance and date of sale of refill cylinders. Considering that the mechanism towards settlement of such amounts is not explicit, notwithstanding the persuasion for its full and final settlement with GOI, considering the principles of prudence and conservatism, a loss allowance has been recognized amounting to ₹ 91.58 Crore (2019-20: NIL).
60. 'Other reserve' represents non-controlling interest reserve created by Mangalore Refinery Petrochemicals Limited (MRPL) pursuant to acquisition of additional shares of 48.9981% from non-controlling share holder Oil and Natural Gas Corporation Ltd. in ONGC Mangalore Petrochemicals Limited as on January 1, 2021.

61. The COVID-19 pandemic is continuing to inflict high economic and human costs causing slowdown of economic activity, locally and globally. Specific to the Corporation, the pandemic did have an impact in the sales volume, more pronounced in April 2020/Q1 FY'21 which had gradually tapered down by end of December 2020. Project construction sites which were required to be closed down after announcement of nationwide lockdown had restarted gradually and by September 2020, resumption to pre-COVID level could be achieved. Despite pandemic, being in the business of essential commodity, all critical supply locations have continued operating even during the lockdown period with health, hygiene and safety measures in place. Both our Refineries and all the supply distribution locations including bulk storage terminals and depots, LPG bottling plants, aviation fuel stations, lube blending plants etc., functioned all through the year with optimized manpower during the lockdown period.

The impact assessment of pandemic is a continuing process given the uncertainties associated with its nature and duration. Being in the business of essential commodity, using the principles of prudence in applying judgements and estimates, the Corporation expects no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets, investments, loans, trade receivable etc. On the Capex front, the Corporation expects to go ahead with its capex plans and ensure execution of the same. The Corporation has adequate fund based limits with consortium as well as non-consortium banks for meeting its working capital requirements. There are adequate foreign and domestic resources that could be readily tapped for raising funds required for meeting any of its Capex or working capital needs and therefore there are no liquidity concerns. Unlike previous financial year, the current situation did not call for any significant write down of inventories at period end resorting to reporting of exceptional item in the financial statement (FY 2019-20: ₹ 1,002.93 Crore, net of Tax: ₹ 750.51 Crore).

62. During the financial year, pursuant to completion of tenure in Office & consequential cessation of 2 of the Independent Directors combined with Government of India not having appointed further Independent Directors to the Board, the number of Independent Director in the Board has got reduced to 1 only, which is less than the minimum number of Independent Directors required in terms of the provisions of the Listing Agreement and the Companies Act, 2013. This is also not in line with the requirement under the relevant SEBI Regulations for the Board to have independent Women Director. The Company has approached the administrative ministry for appointment of requisite number of Directors for compliance of the provisions of the Listing Agreement and the Companies Act, 2013 and the same is awaited. This position has been continuing even as on the date of approval of Financial Statements for the financial year 2020-21. Pending such appointment, the financial statements have been reviewed and recommended to the Board by the reconstituted Audit Committee consisting of one Independent Director and further, these have been approved by the Board consisting of one Independent Director, who is also not an Independent Women Director.

63. Threshold limits adopted in respect of financial statements is given below:

Threshold item	Unit of Measurement	Threshold Limit
Capitalization of spare parts meeting the definition of property plant and equipment.	₹ Lakhs	15.00 (2019-20: 10.00)
Depreciation at 100% in the year of acquisition except LPG cylinders and pressure regulators.	₹	10,000.00 (2019-20: 5,000.00)
Income / expenditure pertaining to prior year(s)	₹ Crore	175.00 (2019-20: 175.00)
Prepaid expenses	₹ Lakhs	7.50 (2019-20: 5.00)
Disclosure of contingent liabilities	₹ Lakhs	5.00 (2019-20: 5.00)
Disclosure of capital commitments	₹ Lakhs	5.00 (2019-20: 5.00)
Refundable Non-current Financial Deposits not yielding Interest excluded from fair-valuation.	₹ Lakhs	50.00 (2019-20: Nil)
Deposits such as those placed with Utility Entities are charged to revenue in the year of payment except in the year of inception of this threshold, wherein it would cover deposits made till previous years.	₹	10,000.00 (2019-20: Nil)



64. Segment reporting

A. Basis for segmentation

There are no reportable segments other than downstream petroleum, as per para 13 of Ind AS 108, Operating Segments. Accordingly, basis of segmentation by the Group is as under:

- (i) Downstream Petroleum, engaged in Refining and Marketing of Petroleum products.
- (ii) All other segments, engaged in Exploration & Production of hydrocarbons, manufacturing sugar and ethanol.

The Company's Chairman, the Chief Operating Decision Maker for the Group, periodically reviews the internal management reports and evaluates performance/allocates resources based on the analysis of various performance indicators relating to the segments referred to above.

B. Information about reportable segments:

(₹ / Crore)

For the year ended 31.03.2021		Reportable segments			
Particulars	Downstream Petroleum	All other	Total Segments	Adjustments & Eliminations	Consolidated
Revenue					
External Customers	270,333.36	244.60	270,577.96	-	270,577.96
Inter-segment	2.15	24.26	26.41	(26.41)	-
Total Revenue	270,335.51	268.86	270,604.37	(26.41)	270,577.96
Segment profit / (loss) [EBIT]	14,057.24	(46.23)	14,011.01	(90.07)	13,920.94
Interest Income / (expenses) :					
Interest Income					1,100.68
Interest expense					(963.28)
Profit before tax and share of Profit in equity accounted investees					14,058.34
Share of profit of equity accounted investees					138.66
Profit before tax (PBT)					14,197.00
Income tax expense					(3,534.11)
Profit after Tax (PAT)					10,662.89
Other Comprehensive Income (Net of Tax)					153.43
Total Comprehensive Income					10,816.32
Segment assets	131,434.99	2,724.72	134,159.71		134,159.71
Segment liabilities	94,689.58	1,389.27	96,078.85		96,078.85
Other disclosures:					
Depreciation and amortization	3,552.66	73.08	3,625.74	(0.27)	3,625.47
Investment in equity accounted investees					9,333.88
Material non-cash items other than depreciation and amortisation					183.74
Capital expenditure					13,712.50

(` / Crore)

For the year ended 31.03.2020		Reportable segments			
Particulars	Downstream Petroleum	All other	Total Segments	Adjustments & Eliminations	Consolidated
Revenue					
External Customers	287,417.20	324.85	287,742.05	-	287,742.05
Inter-segment	1.20	42.64	43.84	(43.84)	-
Total Revenue	287,418.40	367.49	287,785.89	(43.84)	287,742.05
Segment profit / (loss) [EBIT]	1,689.31	(88.26)	1,601.05	379.00	1,980.05
Interest Income / (expenses) :					
Interest Income					991.26
Interest expense					(1,138.85)
Profit before tax and share of Profit in equity accounted investees					1,832.46
Share of profit of equity accounted investees					(458.17)
Profit before tax (PBT)					1,374.29
Income tax expense					1,264.44
Profit after Tax (PAT)					2,638.73
Other Comprehensive Income (Net of Tax)					(657.82)
Total Comprehensive Income					1,980.91
Segment assets	115,843.45	1,066.44	116,909.89		116,909.89
Segment liabilities	84,734.33	1,194.94	85,929.27		85,929.27
Other disclosures:					
Depreciation and amortization	3,304.40	65.74	3,370.14	(0.27)	3,369.87
Investment in equity accounted investees					8,820.82
Material non-cash items other than depreciation and amortisation					960.04
Capital expenditure					15,468.16

C. Geographical information

The geographical information analyses the Group's revenue and non-current assets by the country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographic selling location and segment assets were based on the geographical location of the respective non-current assets.

(` / Crore)

Geography	For the year ended 31.03.2021	For the year ended 31.03.2020
(i) Revenue		
India	267,517.00	281,538.67
Other Countries	3,060.96	6,203.38
Total Revenue	270,577.96	287,742.05
(ii) Non-Current Assets*		
India	88,519.03	77,478.17
Other Countries	136.04	166.26
Total Non-Current Assets	88,655.07	77,644.43

* non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising from insurance contracts

D. Information about major customers

In case of the Group, approximately 12% of the revenues are derived from customers under common control.



65. Summarised financial information for Joint Ventures and Associates

I. Summarised financial information for Joint Ventures and Associates that are material to the reporting entity as per Ind AS 112*

(₹ / Crore)

Particulars	HMEL		MRPL	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Assets:				
Non-Current Assets	44,752.18	39,790.88	24,499.47	23,956.47
Current Assets				
Cash and Cash equivalents	902.10	1,681.30	25.83	1.80
Other Current Assets (excluding cash and cash equivalents)	8,168.69	7,329.93	9,860.73	5,961.25
Total (A)	53,822.97	48,802.11	34,386.03	29,919.52
Liabilities:				
Non-Current Liabilities				
Non-Current Financial Liabilities (excluding Trade / Other Payables and Provisions)	32,150.60	27,990.70	15,906.50	12,590.82
Other Non-Current Liabilities	3,558.98	2,911.87	480.88	471.50
Current Liabilities				
Current Financial Liabilities (excluding Trade / Other Payables and Provisions)	2,049.00	2,292.10	9,135.98	6,158.13
Other Current Liabilities	5,594.60	5,709.66	4,957.96	4,337.70
Total (B)	43,353.18	38,904.33	30,481.32	23,558.15
Net Assets included in Financial Statement of Joint Venture / Associate	10,469.79	9,897.77	3,904.71	6,361.37
Ownership Interest	48.99%	48.99%	16.96%	16.96%
Carrying amount of Interest in Joint Venture/ Associate	5,129.42	4,849.16	662.04	1,078.57
Quoted Market Value of Shares	N.A.	N.A.	1,152.96	686.42

* The information provided above is after considering adjustment due to alignment of accounting policies and inter-company eliminations.

(₹ / Crore)

Other Information:	HMEL		MRPL	
	2020-21	2019-20	2020-21	2019-20
Revenue	51,730.48	58,005.29	50,895.23	59,980.00
Interest Income	51.55	54.00	18.03	27.58
Interest Expenses	918.26	1,305.10	554.47	1,241.15
Depreciation	1,027.17	1,131.67	1,158.04	1,085.79
Income tax expenses	(61.27)	(361.90)	(153.96)	(1,359.28)
Profit / (Loss) for the year	318.29	(148.29)	(912.56)	(3,337.69)
Other Comprehensive Income (Net of Tax)	253.83	(347.81)	2.05	(8.73)
Total Comprehensive Income for the year	572.12	(496.10)	(910.51)	(3,346.42)
Dividend Received from the material Joint Venture / Associate	-	50.03	-	29.72

II. Details of all individually immaterial equity accounted investees :

(` / Crore)

	Joint Ventures		Associates	
	2020-21	2019-20	2020-21	2019-20
Carrying amount of Investment in equity accounted investees	3318.88	2745.61	223.54	147.48
Group's Share of Profit or Loss from Continuing Operations	142.83	189.11	(5.38)	(8.72)
Group's share in other comprehensive income	0.01	(0.07)	0.04	(0.05)
Group's share in Total Comprehensive Income	142.84	189.04	(5.34)	(8.77)

66. Employee benefit obligations**A. Provident Fund:**

The long term employee benefit of Provident Fund is administered through a separate Trust, established for this purpose in accordance with The Employee Provident Fund and Miscellaneous Provisions Act, 1952. The Group's contribution to the Provident Fund is remitted to this trust based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. During the year, the Group has recognized ` 167.65 Crore (2019-20: ` 146.30 Crore) as Employer's contribution to Provident Fund in the Statement of Profit and Loss. Under the Statute, the shortfall, if any, in the interest obligation, in comparison to minimum rate of return, declared by Government of India will have to be made good by the Employer. There did not arise any shortfall in interest obligation in the current financial year though the previous year's shortfall, provisionally accounted in 2019-20 as ` 10.04 Crore got revised to ` 10.43 Crore and therefore an amount of ` 0.39 Crore (2019-20: ` 10.04 Crore) has been provided and charged to Statement of Profit and Loss during the current financial year.

On reporting date, the Trust Investments included few Non-convertible Debentures of certain Companies, amounting to ` 243 Crore (31.03.2020: ` 243 Crore) which have witnessed default in meeting interest obligations in 2019-20, which continued in 2020-21. In anticipation of probable default in principal repayment these investments were marked down by 70% in Books in 2019-20, which continues to be the true and fair valuation as of 31.03.2021 as per management assessment. Thus, no additional provision (2019-20: ` 170.10 Crore) is warranted during this financial year.

The present value of benefit obligation at period end is ` 4,678.45 Crore (31.03.2020: ` 4,373.13 Crore). The fair value of the assets of Provident Fund Trust as of Balance Sheet date is greater than the present value of benefit obligation.

B. Superannuation Fund

The Group has Superannuation - Defined Contribution Scheme (DCS) maintained by 'Superannuation Benefit Fund Scheme (SBFS) Trust' wherein Employer makes a monthly contribution of a certain percentage of 'Basic Salary & Dearness Allowance(DA)', out of 30%, earmarked for various Superannuation benefits. This is in accordance with Department of Public Enterprises (DPE) guidelines. These contributions are credited to individual Employee's Account maintained either with Life Insurance Corporation of India (LIC) or an optional National Pension Scheme (NPS) Account. For the financial year 2020-21, the Corporation has made an overall contribution of ` 192.51 Crore (2019 - 20 : ` 162.89 Crore) towards Superannuation - DCS [including ` 59.70 Crore (2019-20 : ` 50.76 Crore) to NPS] by charging it to the statement of Profit and Loss.

Further, for the financial year 2020-21, Corporation has made a provision of ` 23.41 Crore (2019-20: ` 52.15 Crore) by charging to Statement of Profit & Loss towards increase in liabilities in case of Superannuation – Defined Benefit Scheme (DBS) determined based on actuarial valuation.



C. The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ / Crore)

Sr. No	Particulars	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance	Gratuity Unfunded
1	Present value of projected benefit obligation						
	Present value of Benefit Obligation at the beginning of the period	869.27	907.54	18.78	21.92	11.67	3.31
		869.27	907.54	18.78	21.92	11.67	3.31
	Interest Cost	59.72	61.80	1.28	1.44	0.80	0.23
		59.72	61.80	1.28	1.44	0.80	0.23
	Current Service Cost	14.07	58.93	-	-	2.66	0.45
		14.07	58.93	-	-	2.66	0.45
	Past Service Cost	-	-	-	9.92	-	-
		-	-	-	9.92	-	-
	Benefit paid	(100.71)	(58.27)	(3.03)	(6.52)	(0.50)	(0.04)
		(100.71)	(58.27)	(3.03)	(6.52)	(0.50)	(0.04)
	Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	95.17	0.15	(0.78)	-	-
		-	95.17	0.15	(0.78)	-	-
	Actuarial (gains)/losses on obligations - due to change in financial assumptions	3.58	48.70	0.26	0.08	0.05	(0.09)
		3.58	48.70	0.26	0.08	0.05	(0.09)
	Actuarial (gains)/losses on obligations - due to experience	25.06	(28.80)	(0.35)	2.06	(3.61)	(0.02)
		25.06	(28.80)	(0.35)	2.06	(3.61)	(0.02)
	Additions - Business Combination (refer note no 1.3.3)	-	-	-	-	-	0.10
		-	-	-	-	-	0.10
	Present value of Benefit Obligation at the end of the period	870.99	1,085.07	17.09	28.12	11.07	3.94
		870.99	1,085.07	17.09	28.12	11.07	3.94
2	Changes in fair value of plan assets						
	Fair value of Plan Assets at the beginning of the period	783.39	749.17	NA	NA	NA	NA
		783.39	749.17	NA	NA	NA	NA
	Interest income	53.82	51.02	NA	NA	NA	NA
		53.82	51.02	NA	NA	NA	NA
	Contributions by the employer	85.88	158.37	NA	NA	NA	NA
		85.88	158.37	NA	NA	NA	NA
	Contributions by the employee	-	4.50	NA	NA	NA	NA
		-	4.50	NA	NA	NA	NA
	Benefit paid	(100.71)	-	NA	NA	NA	NA
		(100.71)	-	NA	NA	NA	NA
	Return on plan assets, excluding interest income	(1.89)	14.32	NA	NA	NA	NA
		(1.89)	14.32	NA	NA	NA	NA
	Fair value of Plan Assets at the end of the period	820.49	977.38	NA	NA	NA	NA
		820.49	977.38	NA	NA	NA	NA
3	Included in Statement of Profit and Loss						
	Current Service Cost	14.07	58.93	-	-	2.66	0.45
		14.07	58.93	-	-	2.66	0.45
	Past Service Cost	-	-	-	9.92	-	-
		-	-	-	9.92	-	-
	Net interest cost	5.90	10.78	1.28	1.44	0.80	0.23
		5.90	10.78	1.28	1.44	0.80	0.23

(₹ / Crore)

Sr. No	Particulars	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance	Gratuity Unfunded
	Contributions by the employee	-	(4.50)	-	-	-	-
		-	(7.51)	-	-	-	-
	Total amount recognised in Statement of Profit and Loss	19.97	65.21	1.28	11.36	3.46	0.67
		14.15	58.41	1.59	1.82	3.54	0.54
4	Remeasurements						
	Return on plan assets, excluding interest income	1.89	(14.32)	-	-	-	-
		2.35	15.24	-	-	-	-
	(Gain)/loss from change in demographic assumptions	-	95.17	0.15	(0.78)	-	-
		-	-	-	-	-	-
	(Gain)/loss from change in financial assumptions	3.58	48.70	0.26	0.08	0.05	(0.09)
		42.93	106.22	0.45	0.20	0.20	0.46
	Experience (gains)/losses	25.06	(28.80)	(0.35)	2.06	(3.61)	(0.02)
		28.40	(39.37)	(1.12)	0.09	(0.64)	0.07
	Change in asset ceiling, excluding amounts included in interest expense	-	-	-	-	-	-
		-	-	-	-	-	-
	Total amount recognised in other comprehensive income	30.53	100.75	0.06	1.36	(3.56)	(0.11)
		71.72	152.89	(0.67)	0.67	0.04	0.53

D. Amount recognised in the Balance Sheet

(₹ / Crore)

	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance	Gratuity Unfunded
Present value of benefit obligation as on 31.03.2021	870.99	1,085.07	17.09	28.12	11.07	3.94
Fair value of plan assets as on 31.03.2021	820.49	977.38	-	-	-	-
Net Liability / (Asset) recognised in Balance Sheet	50.50	107.69	17.09	28.12	11.07	3.94

(₹ / Crore)

	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance	Gratuity Unfunded
Present value of benefit obligation as on 31.03.2020	869.27	907.54	18.78	21.92	11.67	3.32
Fair value of plan assets as on 31.03.2020	783.39	749.17	-	-	-	-
Net Liability / (Asset) recognised in Balance Sheet	85.88	158.37	18.78	21.92	11.67	3.32

E. Plan assets

(₹ / Crore)

	31.03.2021		31.03.2020	
	Gratuity	PRMBS	Gratuity	PRMBS
Plan assets comprise the following:				
Insurance fund	820.49	977.38	783.39	749.17
	820.49	977.38	783.39	749.17



F. Significant estimates (actuarial assumptions and sensitivity):

(i). The significant actuarial assumptions were as follows:

31.03.2021	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	6.80%	6.91%	NA	NA	NA
Rate of Discounting	6.80%	6.91%	6.44%	6.49%	6.80%
Rate of Salary Increase	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)				
Mortality Rate After Employment	Indian Individual AMT (2012-15)				

31.03.2020	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	6.87%	6.81%	NA	NA	NA
Rate of Discounting	6.87%	6.81%	6.82%	6.59%	6.87%
Rate of Salary Increase	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)				
Mortality Rate After Employment	Indian Assured Lives Mortality (2006-08)				

(ii). Sensitivity analysis

(` / Crore)

31.03.2021	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of + 1% Change in Rate of Discounting	(47.87)	(133.06)	(0.66)	(0.79)	(0.73)
Delta effect of -1% Change in Rate of Discounting	55.36	170.13	0.73	0.85	0.86
Delta effect of + 1% Change in Future Benefit cost inflation	-	170.71	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(134.07)	-	-	-
Delta effect of + 1% Change in Rate of Salary Increase	9.92	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(12.18)	-	-	-	-
Delta effect of + 1% Change in Rate of Employee Turnover	15.44	-	-	-	(0.80)
Delta effect of -1% Change in Rate of Employee Turnover	(17.46)	-	-	-	0.94

(` / Crore)

31.03.2020	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of + 1% Change in Rate of Discounting	(47.85)	(109.81)	(0.69)	(0.65)	(0.76)
Delta effect of -1% Change in Rate of Discounting	55.06	139.91	0.75	0.70	0.88
Delta effect of + 1% Change in Future Benefit cost inflation	-	140.35	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(110.68)	-	-	-
Delta effect of + 1% Change in Rate of Salary Increase	12.88	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(15.16)	-	-	-	-
Delta effect of + 1% Change in Rate of Employee Turnover	14.11	-	-	-	(0.83)
Delta effect of -1% Change in Rate of Employee Turnover	(15.93)	-	-	-	0.97

G: The expected maturity analysis of undiscounted benefits is as follows:

(` / Crore)

	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year
31.03.2021				
Gratuity	131.76	84.00	326.43	989.37
PRMBS	50.70	55.05	194.30	323.63
Pension	2.45	2.41	7.02	10.51
Ex - Gratia	5.30	5.19	14.78	21.41
Resettlement Allowance	1.36	0.81	3.91	15.59
Total	191.57	147.46	546.44	1,360.51

(` / Crore)

	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year
31.03.2020				
Gratuity	120.48	75.22	328.27	1,002.22
PRMBS	42.00	45.89	163.86	276.71
Pension	2.79	2.76	8.10	12.66
Ex - Gratia	4.05	3.99	11.61	17.76
Resettlement Allowance	1.31	0.72	4.18	16.29
Total	170.63	128.58	516.02	1,325.64

H: Notes:

- I. **Gratuity** : Each employee rendering continuous service of 5 Years or more is entitled to receive gratuity amount equal to 15/26 of the eligible salary for every completed years of service subject to maximum of ` 0.20 Crore at the time of separation from the Corporation. Besides the ceiling of gratuity increases by 25% whenever IDA rises by 50%. The long term employee benefit of Gratuity is administered through a Trust, established under The Payment of Gratuity Act, 1972. The Board of Trustees comprises of representatives from the Employer who are also plan participants in accordance with the plans regulation. The liability towards gratuity is funded with Life Insurance Corporation of India (LIC).
- II. **Pension** : The employees covered by the Pension Plan of the Group are entitled to receive monthly pension for life. However, none of the current serving employees are covered under Pension Plan of the Corporation.



- III. Post Retirement Medical Benefit (PRMBS):** Post Retirement Benefit medical scheme provides medical benefit to retired employees and eligible dependent family members. This long term employee benefit is administered through a Trust. The liability towards Post-Retirement Medical Benefit for employees is ascertained, yearly, based on the actuarial valuation and funded to the Trust.

On reporting date, the Trust Investments included few Non-convertible Debentures of certain Companies, amounting to ` 99.50 Crore (31.03.2020: ` 99.50 Crore) which have witnessed default in meeting interest & or principal obligations in 2019-20, which continued in 2020-21. In anticipation of probable default in principal repayment, these investments were marked down by 70% in Books in 2019-20, which continues to be the true and fair valuation as of 31.03.2021 as per management assessment. The diminution in Trust Investments are factored in the actuarial valuation while ascertaining the liability for the Corporation. Thus, no additional provision (2019-20: ` 69.65 Crore) is warranted during this financial year, to be charged to Statement of Profit and Loss in compliance with Ind AS 19.

- IV. Ex-gratia :** The ex-employees of Corporation are covered under the Scheme, entitling to get ex-gratia, determined based on their salary grade at the time of their superannuation. The benefit is paid to eligible employees till their survival, and thereafter till the survival of their spouse. However, none of the current serving employees are covered under this Plan.
- V. Resettlement Allowance :** Upon superannuation from the services of the Group, there are employees who permanently settle down at a place other than the location of the last posting. Such employees are provided with resettlement allowance as per policy of the Group.
- VI. Interest rate on funds retained in LIC:** The employees of the Corporation are entitled to certain leave as per policy. The liability of the Corporation is determined annually through actuarial valuation and funded with Life Insurance Corporation of India (LIC).
- VII. Others:** The expected return on plan assets is based on market expectation over the entire life of the related obligation. The actuarial assumption with regard to future salary escalation takes into consideration, the factors such as inflation, seniority, promotion, demand & supply in the employment market.

VIII. Figures in italics represent last year figures.

67. Additional Information on Joint Ventures/Associates

In addition to the figures contained in the Notes numbering 3,4, 5A, 5B & 10, that represents Groups' consolidated Property, Plant and Equipments(PPE) / Capital Work-in-Progress / Intangible Assets / Intangible Assets Under Development/ Investment Property / Capital Advance(under Other Non-Current Assets) for the financial year 2020-21, the Holding Company's consolidated proportionate share in respect of these Items held in its Joint Ventures and Associates is given as under:

Property, Plant and Equipments:

(` / Crore)

Gross Block				Depreciation/ Amortisation				Net Block	Net Block
As of 01.04.2020	Additions	Deduction/ Reclassifications	As of 31.03.2021	As of 01.04.2020	For the year	Deduction/ Reclassification	As of 31.03.2021	As on 31.03.2021	As on 01.04.2020
18,774.24	1,059.18	401.80	19,431.62	3,490.46	710.81	329.04	3,872.23	15,559.38	15,283.77

Intangible Assets:

(` / Crore)

Gross Block				Depreciation/ Amortisation				Net Block	Net Block
As of 01.04.2020	Additions	Deduction/ Reclassifications	As of 31.03.2021	As of 01.04.2020	For the year	Deduction/ Reclassification	As of 31.03.2021	As on 31.03.2021	As on 01.04.2020
91.39	22.34	0.51	113.22	55.83	5.06	0.51	60.38	52.84	35.56

Investment Property:

(` / Crore)

Gross Block				Depreciation/Amortisation				Net Block	Net Block
As of 01.04.2020	Additions	Deduction/ Reclassifications	As of 31.03.2021	As of 01.04.2020	For the year	Deduction/ Reclassification	As of 31.03.2021	As on 31.03.2021	As on 01.04.2020
1.36	-	-	1.36	0.00	0.00	-	0.00	1.36	1.36

(` / Crore)

Particulars	31.03.2021	31.03.2020
Intangible Assets Under Development:	0.09	0.07
Capital Work-in-Progress:	15,198.01	9,612.32
Capital Advances disclosed under Other Non-Current Assets:	585.64	397.76

This disclosure is made in a specific context of a reporting requirement conveyed by Department of Public Enterprises (DPE) for facilitating evaluation of one of the Memorandum of Understanding(MOU) parameter on performance of the Corporation, entered into with Oil & Natural Gas Corporation Ltd., namely, Capital Expenditure Target of HPCL together with its Subsidiaries/Joint Ventures/Associate Companies for the financial year 2020-21. Considering that the definition of Group under Ind-AS 110 for the purpose of consolidation is limited to Holding Company and its Subsidiary Companies only, this additional disclosure is intended to provide the requisite information extracted from the audited financial statements of these Companies, to the extent of Holding Company's actual shareholding at period end.

68. As on 31.03.2021, the Group has an inventory of Non-Solar Renewable Energy Certificates numbering 35,041 Units (31.03.2020: 69,256), available for Sale after earmarking a requisite quantity already for captive consumption. The revenue from Certificates is recognized as and when the same are sold. The Central Electricity Regulatory Commission has fixed a floor price of ` NIL and a ceiling price of ` 1,000/- per certificate in which range, it could be sold in Indian Energy Exchange Ltd., wherein it is traded. Aggrieved by the decision of NIL floor price, Green Energy Association has filed a petition in the Appellate Tribunal for Electricity (APTEL) and Tribunal has halted trading of these Certificates, until final disposal of the petition.

69. Schedule III - Additional Disclosure on Consolidated Financial Statements as on 31.03.2021 is as under

Name of the Entity	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 a % of Consolidated Net Assets	Amount (₹ / Crore)	As a % of Consolidated Profit or Loss	Amount (₹ / Crore)	As a % of Consolidated Other Comprehensive Income	Amount (₹ / Crore)	As a % of Consolidated Total Comprehensive Income	Amount (₹ / Crore)
Hindustan Petroleum Corporation Limited	72.20%	27,318.81	98.77%	-0,531.62	0.00%	12.81	97.50%	-0,545.42
Subsidiaries								
Pricol Petroleum Corporation Ltd.	10.94%	132.26	10.26%	127.92	0.72%	14.91	10.12%	12.81
IPCL Refineries Ltd.	3.70%	205.88	10.72%	180.37	0.05%	0.08	10.74%	79.69
IPCL Middle East FCO	0.01%	4.31	10.37%	10.57	10.38%	10.13	10.31%	10.70
HPCL Shipmex Energy Pvt. Ltd.	3.05%	1,530.69	10.34%	14.32	0.00%	0.00	10.34%	14.02
Joint Ventures								
Industan Odeas Pvt. Ltd.	0.55%	210.41	0.70%	77.49	10.00%	10.04	0.72%	77.45
FCIL Gas Pvt. Ltd.	0.18%	60.64	10.37%	10.33	0.00%	-	10.31%	10.03
IPCL Rajasthan Refinery Ltd.	4.54%	1,727.25	10.58%	18.37	0.00%	-	10.57%	181.87
South Asia LPG Co. Pvt. Ltd.	0.20%	-10.34	0.61%	94.52	0.05%	0.07	0.60%	64.59
HPCL - B. La Energy Ltd.	-0.73%	3,227.88	1.85%	-37.71	81.00%	124.37	2.98%	922.08
Felcone M 3 Ltd.	0.80%	300.50	0.24%	25.60	10.31%	10.01	0.24%	25.89
Gudhadi Gas Pvt. Ltd.	0.04%	13.73	10.37%	1.25	10.00%	-	10.31%	11.75
PARPET Pvt. Ltd.	0.01%	0.40	0.00%	0.01	0.00%	-	0.00%	0.01
Mineral Aviation Fuels Facility Pvt. Ltd.	0.23%	87.24	0.00%	0.39	0.00%	-	0.00%	0.39
Asarika Gas Ltd.	0.59%	-38.57	0.20%	21.40	0.00%	-	0.20%	21.40
Bhadravathi Gas Ltd.	0.45%	172.51	0.24%	25.13	10.31%	10.01	0.20%	25.14
Rajmangal Refinery & Petrochemical Pvt. Ltd.	0.08%	31.91	10.34%	14.06	0.00%	-	10.34%	14.36
IP Pvt. Ltd.	1.09%	414.75	0.01%	1.38	0.00%	-	0.01%	1.38
Associates								
Khondaker Petro and Petrochemicals Ltd.	1.89%	720.28	10.37%	186.52	0.20%	0.35	10.98%	186.16
SSPL India Gas Ltd.	0.45%	170.51	0.02%	1.79	0.00%	0.02	0.02%	1.80
ASPL India Petro Ltd.	0.4%	52.97	10.37%	57.16	0.00%	0.01	10.37%	57.15
Total	100.00%	34,080.85	100.00%	10,562.89	100.00%	158.43	100.00%	10,816.31

FOR AND ON BEHALF OF THE BOARD

3.-
Mukesh Kumar Surana
Chairman & Managing Director
DIN: 0049995

3.-
Rakesh
Managing Director
DIN: 000015

3.-
V. Murli
Managing Director
DIN: 000001

3.-
Rakesh
Managing Director
DIN: 000001

For H. Deendra Kumar & Associates
Chartered Accountants
MCA - 142374

3.-
Rakesh
Managing Director
DIN: 000001

For M. P. Chitale & Co.
Chartered Accountants
MCA - 000001

3.-
Anurag Thakur
Managing Director
DIN: 000001

70. Previous period figures are reclassified / regrouped wherever necessary.

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part "A": Subsidiaries

(₹ / Crore)

Sl. No.	Particulars	HPCL Biofuels Ltd.	Prize Petroleum Company Ltd.#	HPCL Middle East FZCO	HPCL Rajasthan Refinery Ltd.*	HPCL Shapoorji Energy Private Limited.
		1	2	3	4	5
1	Date since when subsidiary was acquired	16.10.2009	28.10.1998	11.02.2018	18.09.2013	30.03.2021
2	Reporting currency	Rupees (₹)	Rupees (₹)	Arab Emirates Dirham	Rupees (₹)	Rupees (₹)
3	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-	-	19.904	-	-
4	Share capital	978.95	245.00	5.92	1,798.24	1,172.00
5	Reserves & surplus	(713.09)	(566.26)	(3.83)	(70.99)	(12.31)
6	Total assets	682.66	310.98	10.26	5,634.94	1,714.46
7	Total Liabilities	416.81	632.24	5.76	3,907.69	554.76
8	Investments	-	-	-	-	-
9	Turnover	181.45	86.60	9.19	-	-
10	Profit before taxation	(80.07)	(27.82)	(0.57)	(61.97)	(0.02)
11	Provision for taxation	-	-	-	-	-
12	Profit after taxation	(80.07)	(27.82)	(0.57)	(61.97)	(0.02)
13	Proposed Dividend	-	-	-	-	-
14	% of shareholding	100.00%	100.00%	100.00%	74.00%	100.00%

Figures based on Consolidated Financial Statements of the Company

* This figure represent share of HPCL in the company

Notes:-

- Names of subsidiaries which are yet to commence operations:
 - HPCL Rajasthan Refinery Ltd.
 - HPCL Shapoorji Energy Private Limited (Acquired as of 30.03.2021, Profits are mentioned accordingly)
- HPCL Rajasthan Refinery Ltd. is considered as subsidiary as per Sec 2(87) of Companies Act, 2013
- Names of subsidiaries which have been liquidated or sold during the year - Nil

FOR AND ON BEHALF OF THE BOARD

Sd-
Mukesh Kumar Surana
 Chairman & Managing Director
 DIN - 07464675

Sd-
R Kesavan
 Director Finance
 DIN - 08202118

Sd-
V Murali
 Company Secretary

Place: Mumbai
 Date: May 20, 2021



HINDUSTAN PETROLEUM CORPORATION LIMITED

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part "A"

		(₹ / Crore)							
Name of Joint Ventures		Hindustan Colas Pvt. Ltd.	HPCL-Mittal Energy Ltd.#	South Asia LPG Co. Pvt. Ltd.	Petronet MHB Ltd.	Bhagyanagar Gas Ltd.	Petronet India Ltd.^	HPOIL Gas Pvt Ltd.	Godavari Gas Pvt Ltd.
1	Latest audited Balance Sheet date	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2020
2	Date on which the Associates or Joint Ventures was associated or acquired	17.07.1995	13.12.2000	16.11.1999	26.05.1997	22.08.2003	26.05.1997	30.11.2018	27.09.2016
3	Shares of Joint Ventures / Associate held by the Company on the year end								
	Nos.	4,725,000	3,939,555,200	50,000,000	274,333,672	43,650,000	16,000,000	72,500,000	16,074,643
	Amount of Investment in Joint Venture / Associate	4.73	3,939.56	50.00	369.31	128.25	0.16	72.50	16.07
	Extent of Holding %	50.00%	48.99%	50.00%	50.00%	48.73%	16.00%	50.00%	26.00%
4	Description of how there is significant influence	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding
5	Reason why the Joint Venture / Associate is not consolidated	-	-	-	-	-	The Company is in the process of winding up.	-	-
6	Networth attributable to Shareholding as per latest audited Balance Sheet*	213.41	5,227.86	110.34	303.50	172.51	0.43	69.94	13.70
7	Profit / Loss for the year 2020-21*								
	i. Considered in Consolidation	77.50	197.71	64.52	25.90	4.18	0.01	(0.93)	(1.23)
	i. Not Considered in Consolidation	-	-	-	-	-	-	-	-

Figures based on Consolidated Financial Statements of the Company

* Represents share of HPCL in Joint Venture / Associates

FOR AND ON BEHALF OF THE BOARD

Sd-

Mukesh Kumar Surana

Chairman & Managing Director

DIN - 07464675

Sd-

R Kesavan

Director Finance

DIN - 08202118

Sd-

V Murali

Company Secretary

Place: Mumbai

Date: May 20, 2021



Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part "B"

(₹ / Crore)

Name of Joint Ventures	Aavantika Gas Ltd.	Mangalore Refinery and Petrochemicals Ltd. #	HPCL Shaapoorji Energy Pvt. Ltd. ^ ^	Mumbai Aviation Fuel Farm Facilities Pvt. Ltd.	GSPL India Gasnet Ltd.	GSPL India Transco Ltd.	Ratnagiri Refinery & Petrochemical Ltd.	IHB Pvt. Ltd.
1 Latest audited Balance Sheet date	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2020	31.03.2020	31.03.2021	31.03.2021
2 Date on which the Associates or Joint Ventures was associated or acquired	07.06.2006	07.03.1988	15.10.2013	06.03.2014	13.10.2011	13.10.2011	22.09.2017	09.07.2019
3 Shares of Joint Ventures / Associate held by the Company on the year end								
Nos.	29,557,038	297,153,518	-	48,288,750	175,122,128	64,020,000	50,000,000	414,500,000
Amount of Investment in Joint Venture / Associate	50.02	471.68	-	48.29	175.12	64.02	50.00	414.50
Extent of Holding %	49.99%	16.96%	100.00%	25.00%	11.00%	11.00%	25.00%	25.00%
4 Description of how there is significant influence	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding
5 Reason why the Joint Venture / Associate is not consolidated	-	-	-	-	-	-	-	-
6 Networth attributable to Shareholding as per latest audited Balance Sheet*	136.57	720.27	-	87.24	170.61	52.97	31.91	414.75
7 Profit / Loss for the year 2020-21*								
i. Considered in Consolidation	21.40	(96.51)	(4.00)	0.39	1.78	(7.16)	(4.36)	1.56
i. Not Considered in Consolidation	-	-	-	-	-	-	-	-

Figures based on Consolidated Financial Statements of the Company

* Represents share of HPCL in Joint Venture / Associates

^ Petronet India Ltd. is in the process of voluntary winding up w.e.f. August 30, 2018. Networth presented above is as per management accounts as of August 30, 2018.

^ ^ HPCL Shaapoorji Energy Pvt. Ltd has become a subsidiary effective 30.03.2021.

Ujjwala Plus Foundation was incorporated as not-for-profit joint venture company under Sec. 8 of Companies Act 2013 during 2017-18

- 1 Names of joint ventures or associates which are yet to commence operations.
 - a) HPCL Shapoorji Energy Pvt Ltd
 - b) Ratnagiri Refinery & Petrochemicals Ltd
 - c) IHB Pvt Ltd.
- 2 Names of joint ventures or associates which have been liquidated or sold during the year - Nil

FOR AND ON BEHALF OF THE BOARD

Sd-
Mukesh Kumar Surana
 Chairman & Managing Director
 DIN - 07464675

Sd-
R Kesavan
 Director Finance
 DIN - 08202118

Sd-
V Murali
 Company Secretary

Place: Mumbai
 Date: May 20, 2021



HINDUSTAN PETROLEUM CORPORATION LIMITED

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HINDUSTAN PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of consolidated financial statements of Hindustan Petroleum Corporation Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 20 May 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Hindustan Petroleum Corporation Limited for the year ended 31 March 2021 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of (Annexure I), but did not conduct supplementary audit of the financial statements of (Annexure II) for the year ended on that date. **Further, section 139(5) and 143 (6) (a) of the Act are not applicable to (Annexure III) being private entities/entities incorporated in Foreign countries under the respective laws for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies.** This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

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

Sd/-

C.M. Sane

Director General of Commercial Audit, Mumbai

Place: Mumbai

Date: 26 July 2021

Annexure I**Audit Conducted:****(A) Subsidiaries:**

1. HPCL Biofuels Ltd. (HBL)

(B) Joint Ventures

1. Bhagyanagar Gas Ltd. (BGL)
2. Petronet MHB Ltd. (PMHBL)
3. Mumbai Aviation Fuel Farming Facility Pvt. Ltd. (MAFFFL)
4. HPCL Rajasthan Refinery Ltd. (HRRL)
5. HPOIL Gas Pvt. Ltd. (HOGPL)
6. IHB Private Ltd. (IHBPL)

(C) Associates

1. Mangalore Refinery and Petrochemicals Ltd. (MRPL)
2. GSPL India Gasnet Ltd. (GIGL)
3. GSPL India Transco Ltd. (GITL)

Annexure II**Audit not conducted:****(A) Subsidiaries:**

1. Prize Petroleum Company Ltd. (PPCL)
2. HPCL Shapoorji Energy Pvt. Ltd. (HSEL)

(B) Joint Ventures

1. Godavari Gas Pvt. Ltd. (GGPL)
2. Aavantika Gas Ltd. (AGL) (Non-review certificate issued)
3. Ratnagiri Refinery Petrochemicals Limited (RRPCL) (Non-review certificate issued)

(C) Associates:

NIL

Annexure III**Audit not applicable****(A) Subsidiaries:**

1. HPCL Middle East FZCO (HMEFZCO)

(B) Joint Ventures

1. HPCL Mittal Energy Ltd. (HMEL)
2. Hindustan Colas Pvt. Ltd. (HINCOL)
3. South Asia LPG Co. Pvt. Ltd. (SALPG)

(C) Associates:

NIL

Note: Ujjwala Plus Foundation (not for profit organization formed by IOCL, HPCL and BPCL) has not been considered for consolidation of the HPCL accounts, hence not indicated above.

INDEPENDENT AUDITORS' REPORT

To
The Board of Directors
Hindustan Petroleum Corporation Limited

Report on the Audit of the Standalone Financial Results

1. Opinion

We have audited the accompanying Standalone annual financial results ('the Statement') of Hindustan Petroleum Corporation Limited ('the Company') for the quarter and year ended on March 31, 2020, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended ('Listing Regulations'), except for the disclosures regarding (a) Physical Performance disclosed in para B of the Statement and (b) 'Average Gross Refining Margins' stated in Note no. 3 of the Statement.

In our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, other comprehensive income and other financial information of the Company for the quarter and year ended on March 31, 2020.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Emphasis of Matter

- a) Note No 14 regarding provision for impairment made to the extent of ₹ 227.40 Crores (includes incremental provision ₹ 131.69 Crores) towards loans given to consumers under Prime Minister Ujjwala Yojna (PMUY) out of the total outstanding loans of ₹ 1966.21 Crores, the above impairment has been computed based on the estimates of default as assessed by the management.
- b) Note No 13 regarding the outbreak of COVID-19 pandemic and the assessment made by the management on its business and financials for the year ended March 31, 2020, this assessment and the outcome of the

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pandemic is as made by the management and is highly dependent on the circumstances as they evolve in the subsequent periods.

- c) Note No 18 regarding reduced depreciation due to changes in the estimates of residual value of the catalyst on account of precious metal content and restating the values of precious metal contents in respect of certain catalysts which have already been charged to Profit & Loss Account. The assessment of recovery of the precious metal out of the catalyst and resultant change in the estimate is as made by the management.
- d) Note No. 12 regarding provision towards shortfall in the Provident Fund Trust and Post Retirement Medical Benefit Fund Trust to the extent of ₹ 180.14 Crores & ₹ 69.65 Crores respectively arising out of the default over interest obligations and probable principal amounting to ₹ 243 Crores & ₹ 99.50 Crores respectively in the case of Non-convertible Debentures of certain companies which includes IL&FS & DHFL, basis best available estimate of the management. The estimate is dependent upon the outcome of matters pending with judicial authorities and recognition of Company's claim in these matters.

Our opinion on the Statement is not modified in respect of these matters.

4. Management's Responsibilities for the Standalone Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of related annual and quarterly standalone financial statements. The Company's Board of Directors are responsible for the preparation of these standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

5. Auditor's Responsibilities for the Audit of the Standalone Financial Results

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

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



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- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results 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 results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

6. Other Matters

- a) We did not audit the financial statements/information of one branch viz Visakh Refinery included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ 20,994.15 crores as at 31st March 2020 and the total revenue of ₹ 41,259.62 crores for the year ended on that date, as considered in the Branch's financial statements. The financial statements/information of this branch have been audited by the branch auditor whose report dated 05/06/2020 has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor.
- b) The Statement include Company's proportionate share in Assets and Liabilities as on March 31, 2020, Income and Expenditure for the year ended March 31, 2020 in respect of 21 unincorporated Joint Operations amounting to ₹ 7.65 crores and ₹ 17.63 crores, ₹ 8.07 crores and ₹ 31.09 crores respectively. In respect of these Joint Operations, the financial information has been incorporated based on data received from the respective operators. Our opinion in respect thereof is solely based on the management certified information.



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- ii) Attention is drawn to the fact that the figures for the quarter ended March 31, 2020 as reported in the Statement are the balancing figures in respect of the year ended March 31, 2020 and published year to date figures up to the end of the third quarter of the relevant financial year. The figures up to the end of the third quarter are only reviewed and not subjected to audit.

Our opinion on the Statement is not modified in respect of these matters.

For R. Devendra Kumar & Associates
Chartered Accountants
Firm Regn. No.114207W

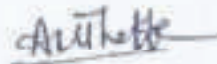


Neeraj Golas
Partner
Membership No. 074392
UDIN: 20074392AAAAAD3249



Place: Mumbai
Date: June 16, 2020

For M.P. Chitale & Co.
Chartered Accountants
Firm Regn. No.101851W



Anagha Thattai
Partner
Membership No. 105525
UDIN: 20105525AAAAADY8958



INDEPENDENT AUDITORS' REPORT

To
The Board of Directors
Hindustan Petroleum Corporation Limited

Report on the Audit of Consolidated Financial Results

1. Opinion

We have audited the accompanying Consolidated annual financial results of HINDUSTAN-PETROLEUM CORPORATION LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures for the year ended March 31, 2020 ("the Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and 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 on separate audited financial statements of the subsidiaries, associates and joint ventures, the aforesaid consolidated financial results :

(i) includes the annual financial results of the following entities:

A. Subsidiaries

1. HPCL Biofuels Limited
2. HPCL Middle East FZCO #
3. Prize Petroleum Company Limited *

B. Joint Ventures

1. HPCL - Mittal Energy Limited *
2. Hindustan Coils Private Limited
3. South Asia LPG Company Private Limited
4. Bhagyanagar Gas Limited
5. Petronet MHB Limited
6. Avantika Gas Limited
7. HPCL Rajasthan Refinery Limited
8. Godavari Gas Limited
9. HPCL Shapoorji Energy Private Limited
10. Mumbai Aviation Fuel Farm Facility Private Limited
11. HPOIL Gas Private Limited



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12. Ratnagiri Refinery and Petrochemicals Limited
13. IIB Pvt. Ltd.

C. Associates

1. Mangalore Refinery and Petrochemicals Limited *
2. GSPL India Gasnet Limited
3. GSPL India Transco Limited

Incorporated/located outside India

* Based on Consolidated financial Statements

(ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(iii) gives a true and fair view, in conformity with the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net Profit and other comprehensive income and other financial information of the Group for the year ended March 31, 2020.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group, its associates and Joint Ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

3. Emphasis of Matter

- a) Note No.8 regarding provision for impairment made to the extent of ₹ 227.40 crores (includes incremental provision ₹ 131.69 Crores) towards loans given to consumers under Prime Minister Ujjwala Yojna (PMUY) out of the total outstanding loans of ₹ 1966.21 crores, the above impairment has been computed based on the estimates of default as assessed by the management.
- b) We invite attention to note no. 10 to the consolidated Financial Results which describes the reasons for considering joint venture interest lower than the percentage of shareholding in a joint venture known as Bhagyanagar Gas Limited. Our opinion is not modified in respect of these matters.
- c) We invite attention to Note No.11 to the consolidated Financial results which describes the case towards claim of ₹ 19.81 crores being defended by one of the component HPCL Biofuels Limited. The outcome of the matter is uncertain as on the Balance Sheet date.



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- d) Note No 7 regarding the outbreak of COVID-19 pandemic and the assessment made by the management on its business and financials for the year ended March 31, 2020, this assessment and the outcome of the pandemic is as made by the management and is highly dependent on the circumstances as they evolve in the subsequent periods.
- e) Note No 9 regarding reduced depreciation due to changes in the estimates of residual value of the catalyst on account of precious metal content and restating the values of precious metal contents in respect of certain catalysts which have already been charged to Profit & Loss Account. The assessment of recovery of the precious metal out of the catalyst and resultant change in the estimate is as made by the management.
- f) Note No. 6 regarding provision towards shortfall in the Provident Fund Trust and Post Retirement Medical Benefit Fund Trust to the extent of ₹ 180.14 Crores & ₹ 69.65 Crores respectively arising out of the default over interest obligations and probable principal amounting to ₹ 243 Crores & ₹ 99.50 Crores respectively in the case of Non-convertible Debentures of certain companies which includes IL&FS & DHFL, basis best available estimate of the management. The estimate is dependent upon the outcome of matters pending with judicial authorities and recognition of Company's claim in these matters.

Our opinion on the Statement is not modified in respect of these matters.

4. Management's and Board of Directors' Responsibilities for the Consolidated Financial Results

These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including its associates and joint ventures in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates and Joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results 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 results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group and of its associates and Joint ventures are responsible for assessing the ability of the Group and its associates and Joint ventures 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 the Group or to cease operations, or has no realistic alternative but to do so.



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The respective Board of Directors of the companies included in the Group and of its associates and Joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and Joint ventures.

5. Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 results.

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 results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to 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 Board of Directors.
- Conclude on the appropriateness of the Board of Directors 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 associates 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 results 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 associates and Joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.



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- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and Joint ventures to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(R) of the Listing Regulations, as amended, to the extent applicable.

6. Other Matters

- a) The consolidated Financial Results include the audited Financial Results of 3 subsidiaries, whose Financial statements reflect total assets (before consolidation adjustments) of ₹ 1054.84 Crores as at 31st March 2020, total revenue (before consolidation adjustments) of ₹ 122.02 Crores and ₹ 379.74 Crores for the quarter and year ended March 31, 2020 respectively, as considered in the consolidated financial results, which have been audited by their respective independent auditors. The consolidated financial results also includes Group's share of net loss after tax of ₹ 545.04 Crores and ₹ 457.52 Crores for the quarter and year ended March 31, 2020 respectively, as considered in the consolidated Financial Results, in respect of 3 associates and 12 Joint Ventures, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

One of the subsidiaries is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their country and which have been audited by other auditor under generally accepted auditing standards applicable in their country. The Subsidiary's management has converted the financial statements of subsidiary located outside India from accounting principles generally accepted in their country to accounting principles generally accepted in India and certified by their auditors. Our opinion in so far as it relates to the balances and affairs of such



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subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the Subsidiary management and certified by their auditors.

- b) The consolidated Financial Results include the unaudited Financial Results of one Joint Venture company, whose Financial Statements reflect Group's share of total net (loss) after tax of ₹ 0.39 crores and ₹ 0.65 crores for the quarter and year ended March 31, 2020 respectively, as considered in the consolidated Financial Results. These unaudited Financial Statements have been furnished to us by the Management and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of the Joint Venture is based solely on such unaudited Financial Statements. In our opinion and according to the information and explanations given to us by the Management, these Financial Statements are not material to the Group.

Our opinion on the consolidated Financial Results 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.

- c) The Consolidated financial results include the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

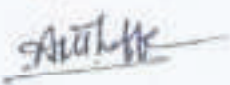
For R. Devendra Kumar & Associates
Chartered Accountants
Firm Regn. No.114207W


Neeraj Golas
Partner
Membership No. 074392
UDIN: 20074392AAAAE8065



Place: Mumbai
Date: June 16, 2020

For M.P. Chitale & Co.
Chartered Accountants
Firm Regn. No.101851W


Anagha Thatte
Partner
Membership No. 105525
UDIN: 20105525AAAADZ9671



HINDUSTAN PETROLEUM CORPORATION LIMITED
 Regd. Office : 27, Naraina II, New Road, Mumbai - 400 025
 Website : www.hindustanpetroleum.com, E-mail : corpinfo@hpl.co, Cdn Mail: LPSO@HINDUSTANPETRO.COM
STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2020

	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2019	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited
A. FINANCIAL PERFORMANCE					
1 Income					
(a) Gross Sale of Products	71,368.14	74,087.77	72,040.40	7,80,758.27	7,80,712.84
(b) Other Operating Revenue	286.43	301.63	325.36	1,144.86	1,231.75
(c) Other Income	424.36	405.80	465.42	1,444.17	1,474.01
Total Income	71,878.93	74,805.20	72,831.17	7,83,347.30	7,83,418.60
2 Expenses					
(a) Cost of materials consumed	16,776.12	16,716.34	13,770.34	28,750.69	28,631.27
(b) Purchases of stock-in-trade	47,235.78	47,798.13	48,327.88	1,07,233.94	1,08,176.93
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(106.19)	2,119.49	(3,817.70)	(403.43)	(2,146.33)
(d) Carriage Costs	1,200.83	1,330.04	1,213.86	18,003.12	21,731.46
(e) Employees Benefits expenses	358.18	757.70	730.63	3,133.40	2,336.25
(f) Finance Costs	287.44	252.81	187.18	1,885.72	725.84
(g) Depreciation and amortisation expenses	621.58	585.86	876.49	5,904.39	5,013.61
(h) Other expenses (refer note 4.3 below)	4,398.58	2,485.49	2,348.93	11,001.35	12,040.16
Total Expenses	71,409.85	79,844.97	69,889.37	7,88,409.54	7,89,783.02
3 Profit/(Loss) before exceptional items and tax (3-2)	(1,431.50)	1,190.64	4,871.18	2,575.32	6,518.66
4 Exceptional items - Income/(Expenses)	(1,001.83)	-	-	(1,001.93)	-
5 Profit/(Loss) before tax (5+4)	(1,438.26)	1,190.64	4,871.18	1,573.39	6,518.66
6 Tax Expense					
(a) Current Tax	(1,030.20)	379.08	1,430.09	146.91	2,737.01
(b) Deferred Tax	117.34	24.84	272.89	310.58	102.95
(c) Provision for tax for earlier years written back (net) (refer note # 9 & 10)	(1,546.12)	-	30.40	(1,546.12)	30.40
Total Tax Expense	(1,458.98)	403.94	1,798.10	(1,004.47)	2,310.00
7 Net profit/(Loss) for the period (5-6)	36.80	786.70	2,900.32	1,627.24	4,208.66
8 Other Comprehensive Income					
A (i) Items that will not be reclassified to profit or loss	(100.40)	20.34	22.35	(405.83)	(105.75)
A (ii) Income tax relating to items that will not be reclassified to profit or loss	53.85	-	(8.50)	33.25	(8.50)
B (i) Items that will be reclassified to profit or loss	(34.11)	-	-	(14.11)	-
B (ii) Income tax relating to items that will be reclassified to profit or loss	6.07	-	-	6.07	-
Total Other Comprehensive Income	(34.10)	20.34	40.81	(404.70)	(84.25)
9 Total Comprehensive Income for the period (7 + 8)	(327.40)	767.04	2,941.13	1,222.54	3,964.41
10 Paid up Equity Share Capital (Face value ₹ 10/- each)	1,523.62	1,523.62	1,523.62	1,523.62	1,523.62
11 Other Equity including Reserves				17,436.11	26,030.61
12 Basic and Diluted Earnings Per Share (of ₹ 10/- each) (not audited)	0.10	0.50	0.19	0.79	2.60
B. PHYSICAL PERFORMANCE (in MMT)					
Crude Throughput	4.54	4.25	4.30	17.18	18.44
Market Sales					
- Domestic Sales	9.25	9.76	10.08	37.78	37.93
- Exports	0.47	0.62	0.88	1.36	0.79
Pipeline Throughput	5.77	5.89	5.83	21.20	21.33

Notes:

- The above results, which are prepared in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on June 16, 2020.
- The Financial Results have been audited by the Statutory Auditors as required under Regulation 33 of SEBI (Listing and Disclosure Requirements) Regulations, 2015. The Statutory Auditors have issued unmodified opinion on the Standalone Financial Results for the quarter and year ended March 31, 2020.
- Average Gross Refining Margin during the year ended March 31, 2020, was US \$ 1.02 per BBL, as against US \$ 0.81 per BBL during the corresponding previous year.
- The Corporation has accounted for Budgetary Support amounting to ₹ 281.41 Crore during April - March, 2020 (April - March, 2019 : ₹ 957.11 Crore) towards under recovery on sale of PDS SKO.
- Other Expenses for the period April - March, 2020 includes ₹ 875.50 Crore (April - March, 2019 : ₹ 824.25 Crore) towards loss on account of foreign currency transactions and transactions.
- The Audited Accounts are subject to review by the Comptroller & Auditor General of India under section 143 (3) of the Companies Act, 2013.
- The figures for the quarter ended Mar (31), 2020 and March 31, 2019 represent the difference between the audited figures in respect of full financial year and the unaudited figures of nine months ended December 31, 2019 and December 31, 2018 respectively.
- The Corporation operates in a single segment viz. Downstream petroleum sector.

**FOR IDENTIFICATION
IN TERMS OF OUR SEPARATE REPORT**



16/6/2020



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- 9 The Corporation has decided to opt for Vivid Se Vishwas Scheme, 2019 in respect of all eligible income tax disputes towards which an income tax liability amounting to ₹ 364.87 Crore has been estimated. After considering an existing provision of ₹ 141.86 Crore and reversal of provisions of ₹ 119.06 Crore, no further required, a net current tax expense of ₹ 202.92 Crore has been recognized in the Statement of Profit and Loss.
- 10 The Corporation has opted for tax rate under Section 115BAA of the Income Tax Act, 2001, which has been considered to determine the current tax liability. The carried balance of deferred tax liabilities (net) has therefore been re-measured, based on new tax rate. Accordingly, an amount of ₹ 202.50 Crore, being excess amount of deferred tax liability (net) has been reversed, out of which ₹ 124.20 Crore has been transferred to retained earnings and after considering necessary adjustments, the balance amount of ₹ 78.30 Crore has been credited to Statement of Profit and Loss, in accordance with rule 115.
- 11 Effective April 01, 2019, the Corporation has adopted Ind AS 116 "Leases" using modified retrospective approach. Due to transition, the nature of expenses in respect of certain leases under cost-based standard has changed from "Lease Rental" to "Depreciation and Amortisation expenses" and "Finance Cost" for the right-of-use assets and for interest accrued on lease liability respectively and therefore these expenses for the current period are not comparable with the corresponding period of previous year.
- Pursuant to the adoption of this Standard, had the leases been accounted for as per erstwhile Standard, the "Depreciation and Amortisation Expenses" would be lower by ₹ 170.79 Crore, "Finance Cost" would be lower by ₹ 101.71 Crore and "Other Expenditure" would be higher by ₹ 147.67 Crore. Net increase in Profit before Tax on account of implementation of this Standard during the current financial year is ₹ 124.64 Crore.
- 12 The long term employee benefits of Provident Fund is administered through a separate Trust. Consequent upon the default over interest obligations on Non-Convertible Debentures (NCDs) of certain Companies held by the trust, and in anticipation of probable principal default of these NCDs, a provision of ₹ 180.14 Crore (2018-19: Nil) has been made towards the Employer's obligation under PF regulations for exempted Trusts for interest shortfall and loss in value of these investments.
- The Corporation also has a Post Retirement Medical Benefit Trust. During the year, there has been default over interest obligations (a default in principal obligations, in a case) on Non-Convertible Debentures of certain Companies amounting to ₹ 98.10 Crore, wherein the Trust has made its investments at a time when these Companies were having highest credit rating. Since best available estimate, the Trust has marked down these investments by 20% in its books to reflect the true & fair valuation. This provision in these Trust investments amounting to ₹ 89.65 Crore (2018-19: Nil), has been duly considered in the Actual Valuation while ascertaining the liability for the Corporation. The Corporation has provided for the above liability during the year and charged to Statement of Profit & Loss in compliance with Ind AS 28.
- 13 The COVID-19 pandemic is globally affecting high economic and human costs causing slowdown of economic activity. Specific to the Corporation, it did not have any significant impact on the Sales and Operations of the Company for the financial year 2019-20, though it impacted the profitability to a large extent, consequent upon a part of inventory building up reporting date that needed to have been valued at net realizable value at which the same is either sold or is expected to be sold, thereby more lower than cost. Being essential commodity, there have been no major disruption in our supply chain during the lockdown period of last few days of March 2020.
- Along with financial year 2020-21, the sourcing of crude oil imports do not have any major disruption neither there is suspension or closure of Refining Operations through the situation called for regulated production. The finished product inventory are managed and the market requirements of the products are met. Thus, by and large, supply side disruptions are minimal. Whereas, on demand side, there have been slow down in future of year 2020-21, especially in April & May 2020. The impact assessment of pandemic is a continuing process given the uncertainties associated with its nature and duration. In the statement of management, the disruption on account of Covid-19 could have near term impact, the situation would demand constant management attention and with the phased coming up of various sectors of economy, impact of Government economic initiatives etc. the operations could gradually move back towards recovery. Thus the Corporation, using the principles of prudence in applying judgements and estimates, expects no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets, investments, loans, trade receivable etc. On the Capital front, the Corporation expects to go ahead with the same with possible time extension and cost escalations in few cases. The Corporation has adequate fund based limits with counterpart as well as non-concession banks for meeting its working capital requirements. There are adequate domestic resources that could be readily tapped for raising substantial fund for meeting any working capital needs and therefore there are no liquidity concerns.
- With due consideration to the requirements of the Accounting Standards, the Corporation has determined the write down of inventories due to drop in fall in oil prices accompanied with reduced movement in inventory and the same has been disclosed in exceptional items in the Financial Results having an impact of ₹ 103.81 Crore (Net of tax ₹ 791.51 Crore) for the quarter and year ended Mar 2020 (v.s. 2019: ₹ 160).
- 14 During the Financial Year, Asset Management estimates an incremental provision of ₹ 121.88 Crore (2018-19: ₹ 15.71 Crore) has been made towards loans given to consumers under Pradhan Mantri Ujjwala Yojana (PMUY) scheme.
- 15 Pursuant to SEBI circular SEBI/HO/CFD/CIR/1/2018/544 dated November 26, 2018 disclosure by Large Corporates is being attached as Annexure 1.
- 16 Disclosures as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	31.03.2020	31.03.2019
(a) The Credit Rating		
ICRA	AAA/Stable	AAA/Stable
India Ratings	AAA/Stable	AAA/Stable
KMA	AAA/Stable	AAA/Stable
(b) Net Worth (₹ in Crore)	22,962.58	18,174.22
(c) Debt Service Coverage Ratio (Earnings before Interest and Tax / (Finance Cost + Principal repayment of Long Term Borrowings & Lease Liabilities))	0.80	0.58
(d) Interest Service Coverage Ratio (Earnings before Interest and Tax / Finance Cost)	1.40	1.28
(e) Debt Equity Ratio	0.81 : 1	0.46 : 1
(f) Debenture Redemption Reserve (₹ in Crore)	601.00	N/A

- 17 The details of Interest/Principal payments and due date in respect of Non-Convertible Debt securities is given below:

Bonds/Debentures	Previous due date		Next due date	
	Interest	Principal	Interest	Principal
6.00% Unsecured Non-Convertible Debenture 2012-24/02/17	NA	NA	17.04.2019/ ₹ 40 Crore	01.04.2019/ ₹ 500 Crore
7.00% Unsecured Non-Convertible Debenture 2018 - Series B	NA	NA	14.08.2019/ ₹ 140 Crore	14.08.2019/ ₹ 2000 Crore
6.80% Unsecured Non-Convertible Debenture 2018 - Series H	16.12.2019/ ₹ 14.09 Crore (paid on due date)	NA	15.11.2019/ ₹ 104 Crore	15.11.2019/ ₹ 3000 Crore
6.30% Unsecured Non-Convertible Debenture 2020 - Series I	NA	NA	06.01.2021/ ₹ 18.18 Crore	11.01.2021/ ₹ 800 Crore
7.00% Unsecured Non-Convertible Debenture 2018 - Series B	NA	NA	08.03.2021/ ₹ 106.42 Crore	11.04.2019/ ₹ 1600 Crore

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16. As stated in change in accounting estimate towards residual value of the precious metal content, in respect of Catalysts having Precious Metals (Plant & Equipment), which is now estimated as the cost of precious metal less estimated allowance for reduction premium as against 2% as per Schedule 1 to Companies Act, 2013 followed till then, depreciation for the year is reduced by ₹ 37.48 Crore (2019-20: Nil). Further, consequent to establishing the disposal procedures of certain catalysts having precious metals, such catalysts that had earlier been charged off to Statement of Profit and Loss on presumption, are now recognised in Balance sheet, being original cost of precious metals or net realisable value whichever is less, having an impact of ₹ 33.37 Crore (2019-20: Nil) in the Financial Statement.

16. STATEMENT OF ASSETS AND LIABILITIES AS ON

(₹ in Crore)

Particulars	31.03.2020	31.03.2019
	Ascribed	Ascribed
ASSETS		
I. Non-Current Assets		
(a) Property, Plant and Equipment	47,746.84	46,323.20
(b) Capital Work-in-Progress	17,543.89	8,895.88
(c) Intangible Assets	543.47	494.11
(d) Financial Assets		
(i) Investment in Subsidiaries, Joint Ventures and Associates	8,536.82	8,795.87
(ii) Other Investments	128.89	498.00
(iii) Loans	1,413.77	1,541.48
(iv) Other Financial Assets	8.79	4.73
(e) Other Non-Current Assets	1,895.36	1,180.11
	76,774.36	67,327.58
II. Current Assets		
(a) Inventories	25,181.19	25,183.42
(b) Financial Assets		
(i) Investments	8,544.88	8,813.70
(ii) Trade Receivables	8,532.73	8,855.00
(iii) Cash and Cash Equivalents	95.04	70.28
(iv) Bank Balances other than above cash and cash equivalents	18.11	19.41
(v) Loans	407.84	958.10
(vi) Other Financial Assets	1,916.86	30,140.84
(c) Other Current Assets	413.88	881.88
	37,209.30	65,056.42
(d) Assets classified as held for Sale / Disposal	80.07	8.14
	87,293.57	68,917.62
Total Assets	1,14,067.93	1,36,245.20
EQUITY AND LIABILITIES		
I. Equity		
(a) Equity Share Capital	1,534.21	1,534.21
(b) Other Equity	27,438.05	36,855.61
	28,972.26	38,389.82
Liabilities		
A. Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	12,287.17	13,317.23
(ii) Other Financial Liabilities	0.70	0.51
(b) Provisions	50.28	85.30
(c) Deferred Tax Liabilities (Net)	5,801.53	7,124.75
(d) Other Non-Current Liabilities	213.48	129.48
	18,352.16	20,657.27
B. Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	10,140.80	12,756.11
(ii) Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	105.86	82.15
Total outstanding dues of creditors other than micro enterprises and small enterprises	11,135.88	12,673.96
(iii) Other Financial Liabilities	23,338.74	23,472.04
(b) Other Current Liabilities	3,832.23	3,734.58
(c) Provisions	2,948.84	2,235.08
(d) Current Tax Liabilities (Net)	188.30	811.27
	37,209.30	37,209.30
Total Equity and Liabilities	1,14,067.93	1,36,245.20

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20. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED:

Particulars	[₹ In Crores]	
	Audited 2019-20	Audited 2018-19
A. Cash Flow From Operating Activities		
Profit/(Loss) before Tax	1,572.20	9,138.30
Adjustments for:		
Depreciation and Amortisation Expense	1,804.89	8,012.61
Interest Income from HBL Preference Shares	-	(12.27)
Gain/(Loss) on sale/write-off of property, plant and equipment, Capital work-in-progress, Assets classified held for sale/disposal	(18.82)	38.87
Gain / (Loss) on Reassessment of Deferred benefit plans	(158.00)	35.87
Effective Portion of Gain/(Loss) in a Cash Flow Hedge	(18.14)	-
Impairment in Value of Non-current Investments	229.73	98.05
For write gains on Current Investments carried at FVTPL	(242.00)	(84.38)
Finance Costs	1,081.72	725.84
Foreign Currency Transaction and Translation	908.23	382.80
Provision for Doubtful Debts, Loans & Receivables	319.22	170.80
Bad Debts written off	8.21	15.17
Interest Income on current Investments	(346.30)	(347.82)
Dividend Received	(183.59)	(133.18)
Other Non-Cash Items	8.12	8.29
Operating Profit before Changes in Assets & Liabilities (Sub Total - (I))	6,355.86	12,808.81
Changes in Assets and Liabilities:		
Decrease / (Increase) Trade Receivables	1,717.20	(128.89)
Decrease / (Increase) Loans and Other Assets	2,833.70	(5,827.52)
Decrease / (Increase) Investments	1,049.81	(1,775.18)
(Decrease) / Increase Trade and Other Payables	(4,385.52)	5,754.02
Sub Total - (II)	868.71	(3,477.58)
Cash Generated from Operations (I) + (II)	7,224.57	9,331.23
Less: Direct Taxes paid (Net)	1,722.98	2,087.39
Net Cash Flow generated from/ (used in) Operating Activities (A)	5,491.59	7,243.84
B. Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment (including Capital Work in Progress / excluding interest capitalised)	(13,813.45)	(11,321.99)
Sale of Property, Plant and Equipment	46.75	64.62
Purchase of Investments (including share application money pending allotment/Advance towards Equity)	(931.81)	(738.08)
Interest received	387.30	879.21
Dividend Received	183.59	232.18
Net Cash Flow generated from / (used in) Investing Activities (B)	(14,227.62)	(10,874.12)
C. Cash Flow From Financing Activities		
Proceeds from long term borrowings	12,002.41	4,134.38
Repayment of Long term borrowings and leasing liabilities	(2,250.06)	(3,367.64)
Proceeds / (repayment) of Short term borrowings	1,682.54	2,566.70
Finance Cost paid	(1,230.62)	(705.54)
Dividend paid (including dividend distribution tax)	(1,775.17)	(1,855.54)
Net Cash Flow generated from / (used in) Financing Activities (C)	5,429.10	2,872.36
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	(3,362.95)	(1,302.91)
Cash and cash equivalents at the beginning of the period	(2,672.40)	(1,379.54)
Cash and cash equivalents at the end of the period	(6,035.35)	(2,682.45)
Details of cash and cash equivalents at the end of the period		
Cash and cash equivalents as on:		
Balances with Banks:		
- on current accounts	88.18	87.44
- on non-operative current accounts	0.01	0.01
Cheques Awaiting Deposit	-	0.00
Cash on hand	1.36	0.74
Less: Cash Credit	(1,815.57)	(2,768.61)
	(6,035.35)	(2,682.45)

21. The Board has recommended a final dividend of ₹ 5.25 per equity share.

22. Previous period figures have been regrouped/reclassified, wherever necessary.

By order of the Board


Mukesh Kumar Jorawa
Chairman & Managing Director
(DIN - 07408675)Place: Mumbai
Date: June 16, 2020FOR IDENTIFICATION
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हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड

(प्राप्त सरकार उपक्रम) रजिस्टर्ड ऑफिस : 17, जामशेदी टाटा रोड, मुंबई - 400 020.

HINDUSTAN PETROLEUM CORPORATION LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE) REGISTERED OFFICE : 17, JAMSHEDJI TATA ROAD, MUMBAI - 400 020.

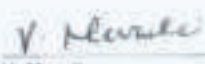
17, जामशेदी टाटा रोड, पोस्ट बॉक्स नं. - 11041, मुंबई - 400 020. दूरभाष - 2286 3600 • फॅक्स - 2287 2982 • ई-मेल : corphq@hpcor.co.in
17, Jamshedji Tata Road, P.O. Box No. - 11041, Mumbai - 400 020, Tel. : 2286 3600 • Fax : 2287 2982 • e-mail : corphq@hpcor.co.in
CIN No.: L23201MH1952GO008851

Format of the Initial Disclosure (FY 2020-2021)

Sr.No.	Particulars	Details
1	Name of the Company	Hindustan Petroleum Corporation Limited
2	CIN	L23201MH1952GO008851
3	Outstanding borrowing of the company (In Rs. Crore)	As on 31.03.2020 Rs.10,431.19 Crore
4	Highest Credit Rating During the previous FY along with names of the Credit Rating Agency	HPCL has been rated 'AAA' by CRISIL, ICRA and India Ratings.
5	Name of the Stock Exchanges in which the line shall be paid, in case of shortfall in the required borrowing under the framework.	i. BSE Limited and ii. National Stock Exchange of India Limited

* Denotes outstanding Long-term borrowing as defined in point 2.2 (ii) of the Circular.

We confirm that we are a Large Corporate as per the applicability criteria given under the SEBI Circular SEBI/HO/DCKS/CIRP/2018/144 dated November 26, 2018.


V. Murali
Company Secretary

Contact Details: (022) 22863611

Date: 16/06/2020


R. Kesavan
Director Finance & Chief Financial Officer
Contact Details: (022) 22863601



हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड

(भारत सरकार का उपक्रम) रजिस्टर्ड ऑफिस : 17, जमशेदजी टाटा रोड, मुंबई - 400 020.

HINDUSTAN PETROLEUM CORPORATION LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE) REGISTERED OFFICE : 17, JAMSHEDJI TATA ROAD, MUMBAI - 400 020.

17, जमशेदजी टाटा रोड, पोस्ट बॉक्स नं. - 11041, मुंबई - 400 020. दूरभाष - 2286 3000 • फोन - 2287 2992 • ई-मेल : corphq@hpc.co.in
17, Jamshedji Tata Road, P. O. Box No. - 11041, Mumbai - 400 020. Tel : 2286 3000 • Fax : 2287 2992 • e-mail : corphq@hpc.co.in
CIN No.: L23201MH1952GOC008958

Annexure - B1

Format of the Annual Disclosure to be made by an entity identified as a Large Corporate as per the SEBI circular SEBIHQ/DOHS/CIR/P/2016/144 dated November 26, 2018.

1. Name of the Company : Hindustan Petroleum Corporation Limited
2. CIN : L23201MH1952GOC008958
3. Report filed for FY : FY 2019-20
4. Details of the borrowings (all figures in Rs crore) :

Sr. No.	Particulars	Details
i	Incremental borrowing done in FY (Note-1) (a)	9800
ii	Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	2450
iii	Actual borrowings done through debt securities in FY 2019-20 (c)	7500
iv	Shortfall in the mandatory borrowing through debt securities, if any (d) = (b) - (c) (If the calculated value is zero or negative, write "nil")	Nil
v	Reasons for short fall, if any, in mandatory borrowings through debt securities	NA

V. Murali
(Signature)

V Murali
Designation: Company Secretary

Contact Details - (022) 22863611

R. Kesavan
(Signature)

R Kesavan
Designation: Director Finance
& Chief Financial Officer
Contact Details - (022) 22863601

Date: 16/06/2020

Note-1: As per para 3.1 of the SEBI circular SEBIHQ/DOHS/CIR/P/2016/144 dated November 26, 2018, "incremental borrowings" means borrowing made during FY 2019-20, of original maturity of more than 1 year, and excludes external commercial borrowings and inter-corporate borrowings between a parent and subsidiary(ies).

(₹ in Crore)

Particulars	Quarter Ended		Year Ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2018
	Audited	Un-audited	Audited	Audited
FINANCIAL PERFORMANCE				
1. Income				
(A) Gross Sale of Products	71,327.08	78,377.25	72,525.15	1,86,574.27
(B) Other Operating Revenue	887.20	901.71	895.11	1,337.19
(C) Other Income	406.16	188.96	656.32	1,681.42
Total Income	72,620.44	79,468.92	74,076.58	1,89,592.88
2. Expenses				
(a) Cost of materials consumed	14,885.38	14,715.70	15,501.11	25,302.49
(b) Purchase of stock-in-trade	47,339.89	47,799.13	46,327.87	1,07,234.13
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(796.44)	6,188.60	(3,537.64)	(354.18)
(d) Selling Duty	3,289.82	3,888.84	3,211.86	18,820.32
(e) Employee benefits expense	849.55	772.94	709.89	1,234.36
(f) Finance Costs	850.83	266.43	202.59	1,132.89
(g) Depreciation and amortisation expense	854.15	885.84	847.39	3,665.30
(h) Other expenses (refer note 8.3 below)	4,040.20	3,318.48	3,307.97	22,419.87
Total Expenses	71,815.39	76,798.12	69,039.34	1,86,608.38
3. Profit/(Loss) before share in profit / (loss) of joint ventures / Associates, exceptional items and tax (1-2)	(1,194.95)	2,670.80	4,036.25	3,984.50
4. Share in profit / (loss) of joint ventures / Associates	(845.43)	185.86	376.74	(891.17)
5. Profit/(Loss) before exceptional items and tax (3+4)	(1,640.38)	2,856.66	3,412.51	3,093.33
6. Exceptional items - Income/(Expense)	(1,062.94)	-	-	(1,062.94)
7. Profit/(Loss) before tax (5+6)	(2,703.32)	2,856.66	3,412.51	2,030.39
8. Tax Expense				
(a) Current Tax	1,100.23	379.09	1,416.09	166.95
(b) Deferred Tax	(46.82)	14.22	296.45	116.73
(c) Provision for tax for earlier years written back (net)	(3,546.12)	-	20.40	(1,548.12)
Total Tax Expense	(2,492.71)	393.31	1,700.14	(1,365.04)
9. Net profit/(loss) for the period (7-8)	(27.61)	3,250.00	1,712.37	3,395.43
10. Other Comprehensive Income				
(a) Items that will not be reclassified to profit or loss (net of tax)	(347.66)	30.18	41.11	(406.12)
(b) Items that will be reclassified to profit or loss (net of tax)	(289.88)	(2.80)	3.28	(733.70)
Total Other Comprehensive Income	(637.54)	27.38	44.39	(1,139.82)
11. Total Comprehensive Income, for the period (9+10)	(90.17)	3,277.38	1,756.76	2,255.61
12. Paid up Equity Share Capital (Face value ₹ 10/- each)	1,323.82	1,323.82	1,323.82	1,323.82
13. Other Equity excluding Reserve/Retain Reserve				29,456.41
14. Basic and Diluted Earnings Per Share (of ₹ 10/- each) (not annualised)	(0.18)	2.48	1.32	1.73

Notes:

- The above results, which are prepared in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on June 18, 2020.
- The Consolidated Financial Results have been audited by the Statutory Auditors as required under Regulation 33 of SEBI (Listing and Disclosure Requirements) Regulations, 2015. The Statutory Auditors have issued unmodified opinion on the Consolidated Financial Results for the quarter and year ended March 31, 2020.
- Other Expenses for the period April - March, 2020 includes ₹ 875.44 Crore (April - March, 2019 : ₹ 123.12 Crore) towards loss on account of foreign currency transactions and translations.
- The Audited Accounts are subject to review by the Comptroller & Auditor General of India under section 143 (3) of the Companies Act, 2013.
- The figures for the quarter ended March 31, 2020 and March 31, 2019 represent the difference between the audited figures in respect of full financial year and the unaudited figures of nine months ended December 31, 2019 and December 31, 2018 respectively.
- The long term employee benefit of Provident Fund is administered through a separate Trust. Consequent upon the default over interest obligations on Non-Convertible Debentures (NCDs) of certain Companies held by the trust, and in anticipation of probable principal default of these NCDs, a provision of ₹ 1,383.16 Crore (2019-20 : Nil) has been made towards the Employer's obligation (under PF Regulations for exempted trusts) for interest shortfall and loss in value of these investments. The Group also has a Post Retirement Medical Benefit Trust. During the year, there has been default over interest obligations (& default in principal obligations, in a case) on Non-convertible Debentures of certain Companies amounting to ₹ 99.30 Crore, wherein the Trust has made its investments at a time when these Companies were having highest credit rating. Based on available estimates, the Trust has marked down these investments by 70% in its books to reflect the risk & fair valuation. This provision in these Trust investments amounting to ₹ 69.85 Crore (2019-20 : Nil), has been duly considered in the Actuarial Valuation while ascertaining the liability for the Group. The Group has provided for the above liability during the year and charged to Statement of Profit & Loss in compliance with Ind AS 19.

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2. The COVID-19 pandemic is globally inflicting high economic and human costs causing slowdown of economic activity. Specific to the Group, it did not have any significant impact on the Sales and Operations of the Group for the financial year 2019-20, though it impacted the profitability to a large extent, consequent upon a part of inventory holding on reporting date that needed to have been valued at not realisable value at which the same is either sold or is expected to be sold, thereby even lower than cost. Being essential care mobility, there have been no major disruption in our supply chain during the lockdown period of last few days of March 2020.

Moving into financial year 2020-21, the sourcing of Crude Oil imports do not have any major disruption neither there is suspension or closure of Refining Operations though the situation called for regulated production. The finished product inventory are managed and the market requirements of the products are met. Thus, by and large, supply side disruptions are minimal. Whereas, on demand side, there have been slow down in financial year 2020-21, especially in April & May 2020. The impact assessment of pandemic is a continuing process given the uncertainties associated with its nature and duration. In the assessment of management, the disruption on account of Covid-19 could have near term impact, the situation would demand constant management attention and with the phased opening up of various sectors of economy, impact of Government economic initiatives etc, the operations could gradually move back towards normalcy. Thus the Group, using the principles of prudence in applying judgements and estimates, reports no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets, investments, loans, trade receivable etc. On the Cash front, the Group expects to go ahead with the same with possible time extension and cost escalations in few cases. The Group has adequate field based links with consortium as well as non-consortium banks for meeting its working capital requirements. There are adequate domestic resources that could be readily tapped for raising substantial fund for meeting any working capital needs and therefore there are no liquidity concerns.

With due consideration to the requirements of the Accounting Standards, the Group has determined the write down of inventories due to drastic fall in oil prices accompanied with reduced movement in inventory and the same has been disclosed as Exceptional Items in the Financial Results having an impact of ₹ 1002.50 Crores (Net of tax: ₹ 750.81 Crores) for the quarter and year ended Mar. 2020 (i.e. 2019-20: Nil).

8. During the Financial Year, basic Management estimated an incremental provision of ₹ 13.168 Crores (2019-20: ₹ 95.71 Crores) has been made towards loans given to consortium under Pradhan Mantri Ujjwala Yojna (PMUY) scheme.
9. Pursuant to change in accounting estimate towards residual value of the previous metal unit used in respect of Catalysts having Previous Metals (Plant & equipment), which is now estimated at the cost of previous metal less estimated allowance for extraction process as against 5% as per schedule 2 to Companies Act, 2013 followed hitherto, depreciation for the year is reduced by ₹ 37.85 Crores (2019-20: Nil). Further, consequent to establishing the disposal procedure of certain catalysts having previous metals, such catalysts that had earlier been charged off to Statement of Profit and Loss on consumptions, are now recognized in Balance sheet, based original cost of previous metals or Net Realisable Value whichever is less, having an impact of ₹ 11.32 Crores (2019-20: Nil) in the Financial Statements.
10. As of 31st March 2014, paid up equity capital of Whangnagar Gas Ltd (WGL) was ₹ 3 lacs, in which HPL and GAIL were holding 34.99% each. Balance 30.02% of shares were held by Kiskadee Seaport Ltd (KSPL) on warehousing basis. In addition, each one of HPL and GAIL had paid ₹ 22.49 Crores as Advance against Equity / Share application money (totalling to ₹ 44.98 Crores) in earlier years. On 10th August 2014, WGL allotted 1,21,87,300 shares on preferential basis to each of HPL and GAIL towards the money paid earlier. Meanwhile there are certain issues pending adjudication with another shareholder. Accordingly, keeping in view financial problems, HPL's share has been considered as 24.99% (notified as 24.99% in F.Y. 2018-19).
11. In case of HPL, Bhubaneswar Ltd (HBL), in the month of Oct 2018, one of the EPCC vendor has filed petition against HBL in NCLT, Kolkata Bench under IBC Code 2016 in which party has raised a claim of ₹ 28.81 Crores in lieu of unpaid operational debt, interest on alleged debt and legal expenses. On 12.02.2019, order against HBL was passed by NCLT, Kolkata accepting application/ petition of Vendor and thereby NCLT appointed Insolvency Resolution Professional (IRP). However, being aggrieved, against the NCLT Kolkata Order, Management sought stay against execution of NCLT Kolkata order and Hon'ble Supreme court granted interim stay against the impugned order on 05.03.2020. The next date of hearing in the matter was 05.05.2020. However, the hearing was adjourned due to Covid-19 and next date is yet to be fixed.

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12. STATEMENT OF ASSETS AND LIABILITIES AS ON

(R in Crores)

Particulars	Audited 31.03.2020	Audited 31.03.2019
ASSETS		
1 Non-Current Assets		
(a) Property, Plant and Equipment	46,993.37	41,183.83
(b) Capital Work in Progress	17,144.20	9,401.81
(c) Goodwill on Consolidation	16.89	16.89
(d) Other Intangible Assets	943.52	496.18
(e) Intangible Assets under development	23.60	22.62
(f) Investment in Joint Ventures and Associates	8,820.62	8,715.89
(g) Financial Assets		
(i) Other Investments	229.89	498.00
(ii) Loans	1,409.50	1,341.43
(iii) Other Financial Assets	6.39	1.87
(iv) Other Non-Current Assets	2,700.40	2,779.48
	79,289.38	65,956.40
2 Current Assets		
(a) Inventories	13,325.89	10,443.52
(b) Financial Assets		
(i) Investments	2,344.26	1,083.76
(ii) Trade Receivables	2,804.29	3,667.79
(iii) Cash and Cash Equivalents	204.78	288.74
(iv) Bank Balances other than cash and cash equivalents	18.36	19.78
(v) Loans	400.80	830.63
(vi) Other Financial Assets	1,968.48	10,540.11
(c) Other Current Assets	401.24	677.13
	22,667.79	26,899.79
(d) Assets classified as held for sale / disposal	10.07	8.24
	22,677.86	26,908.03
Total Assets	1,14,966.20	1,07,864.43
EQUITY AND LIABILITIES		
3 Equity		
(a) Equity Share Capital	1,524.21	1,524.21
(b) Other Equity	29,458.41	28,875.45
	30,982.62	30,400.66
Liabilities		
4 Non-Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	22,109.63	13,127.80
(ii) Other Financial liabilities	8.70	0.33
(b) Provisions	54.62	56.43
(c) Deferred Tax liabilities (Net)	5,493.84	7,896.15
(d) Other Non-Current Liabilities	214.85	152.95
	27,873.29	21,233.73
5 Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	16,176.12	13,908.88
(ii) Trade Payables		
Outstanding dues of micro enterprises and small enterprises	113.75	83.86
Outstanding dues of creditor other than micro enterprises and small enterprises	11,805.04	17,049.41
(iii) Other Financial liabilities	23,385.81	19,584.81
(b) Other Current Liabilities	1,926.01	9,719.79
(c) Provisions	1,630.58	2,982.18
(d) Current Tax liabilities (Net)	386.37	831.77
	57,044.38	57,209.30
Total Equity and Liabilities	1,14,966.20	1,07,864.43

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13. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED:

Particulars	(Rs in Crores)	
	Audited 2019-20	Audited 2018-19
A. Cash Flow from Operating Activities		
Profit/(Loss) before Tax	1,374.29	10,098.20
Adjustments for:		
Depreciation and Amortisation Expenses	1,349.87	1,095.91
(Gain)/Loss on sale/write off of property, plant and equipment, Capital work-in-progress, Assets classified held for sale/disposal	(16.41)	(8.58)
Gain / (Loss) on Remeasurement of Defined benefit plans	(10.58)	15.76
Effective Portion of Gain/(Loss) in a Cash Flow Hedge	(18.04)	-
Net Debt written off	0.21	15.57
Fair value gain on Current Investments carried at FVTPL	(262.04)	(84.39)
Finance Costs	1,330.80	780.65
Foreign Currency Transaction and Translation	876.44	575.78
Provision for Doubtful Debts, Loans & Receivables	82.76	143.06
Interest Income on current Investments	(375.48)	(574.76)
Dividend Received	(28.70)	(15.41)
Share of Profit from Associate and Joint Venture companies	438.17	(826.73)
Other Non Cash Items	11.88	6.88
Operating Profit before Changes in Assets and Liabilities (Sub Total - (I))	6,449.75	18,068.38
Change in Assets and Liabilities:		
Decrease / (Increase) Trade Receivables	1,793.30	(130.17)
Decrease / (Increase) Loans and Other Assets	2,595.94	(1,748.11)
Decrease / (Increase) Inventories	1,115.13	(1,833.85)
(Decrease) / Increase Trade and Other Payables	(4,700.70)	3,186.18
Sub Total - (II)	762.47	(1,425.95)
Cash Generated from Operations (I) + (II)	7,212.22	16,642.43
Less: Direct Taxes paid (Net)	1,732.95	2,082.25
Net Cash Flow generated from / (used in) Operating Activities (A)	5,479.27	14,560.18
B. Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment (including Capital Work in Progress / excluding interest capitalised)	(18,205.52)	(11,156.02)
Sale of Property, Plant & Equipment	61.44	71.34
Purchase of Investments (including share application money pending allotment) (Advance towards Equity)	(811.91)	(734.88)
Interest received	874.30	388.44
Dividend received from Associate and Joint Venture companies	156.89	287.78
Dividend received - others	28.70	25.47
Net Cash Flow generated from / (used in) Investing Activities (B)	(18,196.90)	(11,388.75)
C. Cash Flow from Financing Activities		
Proceeds from Long term borrowings	11,933.40	4,086.40
Repayment of Long term borrowings and leasing liabilities	(2,517.74)	(1,157.80)
Proceeds / (Repayment) of Short term borrowings	1,897.54	2,566.70
Finance Cost paid	(1,236.13)	(847.54)
Dividend paid (including dividend distribution tax)	(1,725.13)	(1,559.34)
Net Cash Flow generated from / (used in) Financing Activities - (C)	8,412.94	3,168.22
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	(4,116.69)	(4,776.39)
Cash and cash equivalents at the beginning of the period	12,693.40	12,410.94
Cash and cash equivalents at the end of the period	12,912.33	12,689.44
Details of cash and cash equivalents at the end of the period:	12,912.33	12,689.44
Cash and cash equivalents at 31st		
Balances with Banks:		
net current accounts	109.54	72.86
non-current/operative current accounts	0.01	0.01
Cheques Awaiting Deposit		0.01
Cash on hand	1.84	8.74
Balances with other Banks	55.17	227.12
Less: Cash Credits	(2,135.89)	(1,864.18)
	12,912.33	12,689.44

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Particulars	Quarter Ended		Year Ended		
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Un-Audited	Audited	Audited	Audited
1. SEGMENT REVENUE					
a) Downstream Petroleum	71,555.20	74,329.51	73,101.76	2,87,418.40	2,86,546.31
b) Others	114.23	72.32	108.73	307.49	334.19
Sub-Total	71,671.43	74,401.83	73,210.49	2,87,725.89	2,87,779.50
Less: Inter-Segment Revenue	27.37	2.04	35.13	43.84	50.23
TOTAL REVENUE	71,644.06	74,399.79	73,175.36	2,87,682.05	2,87,729.27
2. SEGMENT RESULTS					
a) Profit / (Loss) before Tax, Interest Income, Interest Expenditure and Dividend from each Segment:					
i) Downstream Petroleum	(3,376.72)	1,158.88	4,746.88	1,479.83	3,341.44
ii) Others	(11.58)	(24.89)	(52.89)	(88.20)	(85.17)
Sub-Total of (a)	(2,396.90)	1,133.99	4,694.99	1,391.63	3,256.27
b) Finance Cost	896.68	296.43	808.59	1,338.83	785.84
c) Other Un-allocable Expenditure (Net of (re-allocable income)	(638.50)	(882.82)	(201.02)	(1,385.74)	(637.84)
d) Share in profit / (loss) of Joint Ventures / Associates	(545.13)	185.96	310.74	(459.17)	925.73
Profit / (Loss) before tax (a-b+c+d)	(2,874.83)	1,436.72	5,006.82	1,374.29	30,000.20
3. SEGMENT ASSETS					
a) Downstream Petroleum	1,13,839.74	1,14,329.01	1,06,154.24	1,13,839.74	1,06,154.24
b) Others (Unallocated Corporate)	1,086.44	1,012.76	1,152.20	1,086.44	1,122.74
Total	1,14,926.18	1,15,341.77	1,07,306.44	1,14,926.18	1,07,276.98
4. SEGMENT LIABILITIES					
a) Downstream Petroleum	84,730.44	83,807.05	75,742.65	84,730.44	75,742.65
b) Others (Unallocated Corporate)	1,255.85	1,086.37	1,293.17	1,255.85	1,293.17
Total	85,986.29	84,893.42	77,035.82	85,986.29	77,035.82

Notes:

1. There are no reportable segments other than downstream petroleum, as per para 13 of Ind AS 108 on Reporting of Operating Segments.

2. Segment Revenue comprises of the following:

- a) Turnover
- b) Subsidy from Government of India
- c) Other Operating Revenue


3. There are no geographical segments.

4. Previous period figures have been regrouped/reclassified, wherever necessary.

15. The Board has recommended a final dividend of ₹ 3.75 per equity share.

16. Previous period figures have been regrouped/reclassified, wherever necessary.

By order of the Board


 Mr. Anil Kumar Sharma
 Chairman & Managing Director
 DIN - 07404075

Place : Mumbai

Date : June 16, 2020

FOR IDENTIFICATION
IN TERMS OF OUR SEPARATE REPORT



16 JUN 2020



16/06/2020



Notes to Financial Statements

for the year ended 31st March, 2020

1. Corporate Information

Hindustan Petroleum Corporation Limited referred to as “HPCL” or “the Corporation” was incorporated on 5th July, 1952. HPCL is a Government of India Enterprise listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, with ONGC holding 51.11% of Equity Shares w.e.f. 31st January, 2018. The Corporation is engaged, primarily in the business of refining of crude oil and marketing of petroleum products. The Corporation has, among others, refineries at Mumbai and Vishakhapatnam, LPG bottling plants and Lube blending plants. The Corporation’s marketing infrastructure includes vast network of Installations, Depots, Aviation Service Stations, Retail Outlets and LPG distributors.

Authorization of financial statements

The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors on 16th June, 2020.

1.1. Basis for preparation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“Act”) read with Companies (Indian Accounting Standards) Rules, 2015; and other relevant provisions of the Act and Rules thereunder.

The Financial Statements are prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Corporation has adopted Ind AS in accordance with Ind AS 101 (First time adoption of Indian Accounting Standards). The transition was carried out from Accounting Standard as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, (previous GAAP). The Corporation’s presentation currency and functional currency is Indian Rupees (₹). All figures appearing in the Financial Statements are rounded off to the nearest Crore (₹ Crore), except where otherwise stated.

1.2. Use of Judgement and Estimates

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affecting the financial statements of future periods. The Corporation continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Financial instruments
- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligation, key actuarial assumptions
- Provisions and Contingencies and
- Evaluation of recoverability of deferred tax assets;

Revisions to accounting estimates are recognized prospectively in the Financial Statements in the period in which the estimates are revised and in any future periods affected.

2. Significant Accounting Policies

2.1. Property, Plant and Equipment

- 2.1.1. Freehold lands are carried at cost. All other items of Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- 2.1.2. The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes); any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by management; initial estimated present value of any of any contractual decommissioning obligation; and borrowing cost for qualifying assets (i.e., assets that necessarily take a substantial period of time to get ready for their intended use).
- 2.1.3. Technical know-how/ licence fee relating to plants/ facilities are capitalized as part of cost of the underlying asset.
- 2.1.4. Expenditure during construction period: Direct expenses incurred during construction period on capital projects are capitalised.
- 2.1.5. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Corporation.
- 2.1.6. Spare parts which are meeting the requirement of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit and Loss on consumption.
- 2.1.7. An item of Property, Plant and Equipment and any significant part initially recognised separately as part of Property, Plant and Equipment is derecognised upon disposal; or when no future economic benefits are expected from its use or disposal; or when the Property, Plant Equipment has been re-classified as ready for disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised.
- 2.1.8. The residual values and useful lives of Property, Plant and Equipment are reviewed during each financial year and changes are accounted for as change in accounting estimates on a prospective basis.
- 2.1.9. The Corporation has chosen the carrying value of Property, Plant and Equipment existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April, 2015 as deemed cost.

2.2. Depreciation/ amortization

- 2.2.1. Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Corporation has assessed the estimated useful lives of its Property, Plant & Equipment and has adopted the useful lives and residual value as prescribed in Schedule II except for the following which are based on internal technical assessment:

Useful Life:

Plant and Machinery relating to Retail Outlets (other than Storage tanks and related equipment)	15 years
Cavern Structure	60 years
LPG cylinders & regulators (excluding cylinders held for sale)	15 years

Residual Value:

In cases of LPG Cylinders & pressure regulators and Catalysts having Precious Metals, with due consideration to expected realization, a higher residual value is considered.

- 2.2.2. The Corporation depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components is assessed by considering historical experience, internal technical inputs and any other relevant factor.
- 2.2.3. Items of Property, Plant and Equipment costing not more than the threshold limit are depreciated at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators (excluding cylinders held for sale) which are depreciated over a useful life of 15 years based on the technical assessment.
- 2.2.4. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.
- 2.2.5. Depreciation is charged on additions/ deletions on pro-rata monthly basis including the month of addition/ deletion.

2.3. Intangible assets

- 2.3.1. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding development costs, are not capitalised and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Development costs are capitalised if technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Corporation has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.
- 2.3.2. Assets where entire output generated is committed to be sold to a public sector entity (including Government body) for almost entire useful life of the asset are classified as intangible assets as per the requirements of Ind AS and are amortised (after retaining the residual value, if applicable) over their useful life.
- 2.3.3. In cases where, the Corporation has constructed assets and the Corporation has only a preferential right to use, these assets are classified as intangible assets and are amortised (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.
- 2.3.4. The useful lives of intangible assets are assessed as either finite or indefinite.
- 2.3.5. Intangible assets with finite lives are amortised on straight line basis over their useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year end. The amortisation expense on intangible assets with finite lives and impairment loss is recognised in the statement of Profit & Loss.
- 2.3.6. Intangible assets with indefinite useful lives, such as 'right of way' which is perpetual and absolute in nature, are not amortised, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognised in the Statement of Profit and Loss.
- 2.3.7. Technical know-how/ license fee relating to production process and process design are recognized as Intangible Assets.
- 2.3.8. Estimated lives of intangible assets (acquired) are as follows:
- Software: 2 to 4 years
 - Technical know-how/ license fees: 2 to 10 years
 - Right to use - wind mills: 22 years

2.3.9. The Corporation has chosen the carrying value of Intangible Assets existing as per previous GAAP as on date of transition to Ind AS i.e., 1st April 2015 as deemed cost.

2.4. Borrowing Cost

2.4.1. Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange rate variation to the extent regarded as an adjustment to interest cost.

2.4.2. Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset till the month in which the asset is ready for intended use. All other borrowing costs are expensed in the period in which they are incurred.

2.5. Non-current assets held for sale

2.5.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met, only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

2.5.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

2.5.3. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortized.

2.6. Leases

Wherever a Contract conveys the right to control the Use of an identified Asset by either of the PARTIES for a period of time and in exchange for consideration, there arises a Lease Contract. At inception of every Contract, the Corporation examines the existence to the lease elements in a Contract and thereafter carries out appropriate accounting either as Lessor or Lessee.

2.6.1 Lessee:

At the commencement of the lease, the Corporation recognises right-of-use asset and lease liability, with an exception of short-term leases or lease of low-value underlying assets. The right-of-use asset is measured at cost, made up of the initial measurement of the lease liability, initial direct costs, an estimate of dismantling cost including removal of the asset at the end of the lease and any lease payments on or before commencement (net of any incentives received) of the lease.

The lease liability is measured at Present Value of the lease payments to be made during the course of the lease by using incremental borrowing rate that prevail at the beginning of each quarterly period for a similar tenure (such as AAA Corporate Bond rates for varying tenures of 5, 10 & 15 years) for all of the contracts executed in that period. The variable lease payments, which do not depend on an index or a rate, are excluded from the measurement of lease liability.

The Corporation has elected not to separate non-lease components in a contract and account as one unified lease contract covering all underlying assets by using the practical expedient prescribed in the Standard.

On re-measurement of lease liability, the right-of-use asset is suitably readjusted unless such readjustment lead to a restatement of carrying value below zero, in which case, the resultant amount is directly routed through Statement of Profit & Loss Account.

2.6.2. Lessor:

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. In all other cases, it is treated as operating lease.

2.7. Impairment of Non-Financial Assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment.

An impairment loss is recognised whenever the carrying amount of assets of cash generating unit (CGU) exceeds their recoverable amount.

2.8. Inventories

2.8.1. Valuation of inventories (including in-transit) of different categories is as under: -

- a) Crude oil is valued at cost on First in First Out (FIFO) basis or at net realisable value, whichever is lower. Crude oil is not written down below cost except in cases where their prices have declined subsequently and it is estimated that the cost of the finished goods will exceed their net realisable value.
- b) Raw materials for lubricants are valued at weighted average cost or at net realisable value, whichever is lower.
- c) Stock-in process is valued at raw material cost plus cost of conversion or at net realisable value, whichever is lower.
- d) Finished products other than Lubricants are valued at cost (on FIFO basis month-wise) or at net realisable value, whichever is lower.
- e) Finished products (lubricants) are valued at weighted average cost or at net realisable value, whichever is lower.
- f) Empty packages are valued at weighted average cost.
- g) Stores and spares which do not meet the recognition criteria under Property, Plant and Equipment are valued at weighted average cost. Surplus, obsolete and slow moving stores and spares, if any, are valued at cost or net realizable value whichever is lower. Surplus items, when transferred from completed projects are valued at cost/ estimated value, pending periodic assessment/ ascertainment of condition. Stores and Spares in-transit are valued at cost.

2.8.2. Customs duty on Raw materials/ Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee.

2.8.3. Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on applicable duty.

2.8.4. The net realisable value of finished goods and stock in trade are final selling prices for sales to oil marketing companies and depot prices applicable to the locations. For the purpose of stock valuation, the proportion of sales to oil marketing companies and consumer sales are determined on location wise and product wise sales of subsequent period.

2.9. Revenue recognition

2.9.1. Sale of goods

Revenue is recognised when:

- a) the Corporation satisfies a performance obligation by transferring control of a promised goods/ services to a customer;

- b) Transaction price is allocated on each performance obligation and is recognised as and when the particular performance obligation is satisfied either at a point in time or over a period of time;
- c) The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer including excise duties, as applicable and is measured at the fair value of the consideration received or receivable, net of returns, taxes or duties collected on behalf of the government and trade discounts or rebates, as applicable;
- d) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Revenue is allocated between Loyalty Programs and other components of the sale. The amount allocated to the Loyalty Program is deferred, and is recognised as Revenue when the Corporation has fulfilled its obligation to supply the products under the terms of the Program or when it is no longer probable that the points under the Program will be redeemed.

Where the Corporation acts as an agent on behalf of a third party, the associated Revenue is recognised on a net basis.

Claims, including subsidy on Liquefied Petroleum Gas (LPG) and Superior Kerosene Oil (SKO), from Government of India, are booked on in-principle acceptance thereof on the basis of available instructions/clarifications, subject to final adjustments as stipulated.

2.9.2. Interest income is recognised taking into account the amount outstanding and the applicable effective interest rate.

2.9.3. Dividend is recognised when right to receive the payment is established.

2.10. Accounting/ classification of expenditure and income

2.10.1. Income/ expenditure in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively.

2.10.2. Prepaid expenses upto threshold limit in each case, are charged to revenue as and when incurred.

2.10.3. Insurance claims are accounted on acceptance basis.

2.10.4. All other claims/ entitlements are accounted on the merits of each case.

2.10.5. Raw materials consumed are net of discount towards sharing of under-recoveries.

2.11. Employee benefits

2.11.1. Short-term employee benefit

Short term employee benefits are recognized as an expense at undiscounted amount in the Statement of Profit & Loss of the year in which the related services are rendered by the employees.

2.11.2. Post-employment benefits

Defined Contribution Plans:

Obligations for contributions to defined contribution plans are expensed in the Statement of Profit & Loss of the year in which the related services are rendered by the employees.

Defined Benefit Plans:**Post-employment benefits**

Liability towards defined employee benefits (gratuity pension post - retirement medical benefits, ex-gratia and resettlement allowance) are determined on actuarial valuation by independent actuaries at the year-end by using Projected Unit Credit method.

Re-measurements of the net defined benefit liability, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income.

Other long-term employee benefits

Liability towards other long term employee benefits (leave encashment, long service awards, provident fund contribution to trust and death benefits) are determined on actuarial valuation by independent actuaries using Projected Unit Credit method.

Re-measurements gains and losses are recognized in the Statement of Profit and Loss in the period in which they arise.

2.11.3. Termination benefits

Expenditure on account of Voluntary Retirement Schemes, are charged to Statement of Profit & Loss, as and when incurred.

2.12. Foreign currency transactions**2.12.1. Monetary items**

Transactions in foreign currencies are initially recorded at the respective exchange rates prevailing at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognised in Statement of Profit and Loss either as 'Exchange Rate Variation' or as 'finance costs' (to the extent regarded as an adjustment to borrowing costs), as the case maybe.

In case of long term foreign currency monetary items outstanding as of 31st March 2016, foreign exchange differences arising on settlement or translation of long term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in case of other long term foreign currency monetary items, if any, accumulated in 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the balance period of the asset/ liability.

2.12.2. Non - Monetary items

Non-monetary items, other than those measured at fair value, denominated in foreign currency, are valued at the exchange rate prevailing on the date of transaction.

2.13. Investment in Subsidiary, Associates and Joint Ventures

Investments in equity shares of Subsidiaries, Joint Ventures & Associates are recorded at cost and reviewed for impairment at each reporting date.

The Corporation has chosen the carrying value of the Investment in Subsidiaries, Associates and Joint Ventures existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April 2015 as deemed cost.

2.14. Government Grants

- 2.14.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.
- 2.14.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.
- 2.14.3. When the grant relates to property, plant and equipment, the cost of property, plant and equipment is shown at gross value and grant thereon is treated as liability (deferred income) and are credited to statement of profit and loss on a systematic basis over the useful life of the asset.

2.15. Exploration & production expenditure

“Successful Efforts Method” of accounting is followed for Oil & Gas exploration and production activities as stated below:

- 2.15.1. Cost of surveys, studies, carrying and retaining undeveloped properties are expensed out in the year of incurrence.
- 2.15.2. Cost of acquisition, drilling and development are treated as Capital Work-in-Progress when incurred and are capitalised when the well is ready to commence commercial production.
- 2.15.3. Accumulated costs on exploratory wells in progress are expensed out in the year in which they are determined to be dry.
- 2.15.4. The proportionate share in the assets, liabilities, income and expenditure of joint operations are accounted as per the participating interest in such joint operations.

2.16. Provisions and contingent liabilities

- 2.16.1. Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- 2.16.2. If the effect of the time value of money is material, provisions are discounted using an appropriate discount rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- 2.16.3. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Corporation, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.
- 2.16.4. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- 2.16.5. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit.
- 2.16.6. Contingent Liabilities are considered only when show-cause notice is converted into demand.

2.17. Fair value measurement

- 2.17.1. Fair value is the price that would be received/ paid to sell an asset or to transfer a liability, as the case may be, in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Corporation has access at that date. The fair value of a liability also reflects its non-performance risk.

2.17.2. While measuring the fair value of an asset or liability, the Corporation uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

Financial Instruments

2.18. Financial Assets

2.18.1. Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

2.18.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Corporation classifies financial assets (other than equity instruments) as under:

- (a) subsequently measured at amortised cost;
- (b) fair value through other comprehensive income; or
- (c) fair value through profit or loss

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is

- To Hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial recognition, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method and such amortization is recognised in the Statement of Profit and Loss.

Debt instruments at Fair value through profit and loss (FVTPL)

Fair value through profit and loss is a residual category for measurement of debt instruments.

After initial measurement, any fair value changes including any interest income, impairment loss and other net gains and losses are recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Corporation decides to classify the same either as at FVOCI or FVTPL. The Corporation makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all fair value changes being recognized in the Statement of Profit and Loss.

2.18.3. **Impairment of financial assets**

In accordance with Ind-AS 109, the Corporation applies Expected Credit Loss (“ECL”) model for measurement and recognition of impairment loss on the financial assets measured at amortised cost.

Loss allowances on trade receivables are measured following the ‘simplified approach’ at an amount equal to the lifetime ECL at each reporting date.

2.19. **Financial Liabilities**

2.19.1. **Initial recognition and measurement**

All financial liabilities (not measured subsequently at fair value through profit or loss) are recognised initially at fair value net of transaction costs that are directly attributable to the respective financial liabilities.

2.19.2. **Subsequent measurement**

The Corporation classifies all financial liabilities as subsequently measured at amortised cost by using the Effective Interest Rate Method (“EIR”) and such amortisation is recognised in the Statement of Profit and Loss.

2.20. **Financial guarantees**

Financial guarantee contracts are recognised initially at fair value. Subsequently on each reporting date, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

2.21. **Derivative financial instruments**

The Corporation uses derivative financial instruments, such as forward contracts, interest rate swaps to mitigate its foreign currency risk, interest risk and commodity price risk arising out of highly probable forecast transactions and are presented in Financial Statements, either as Financial Assets or Financial liabilities as the case may be.

2.21.1. **Derivatives Contracts designated as hedging instruments:**

Wherever Hedge Accounting is undertaken, at the inception of a hedge relationship, the Corporation formally designates and documents a) the hedge relationship to which it wishes to apply hedge accounting and b) the risk management objective and strategy. In such cases, the derivative financial instruments are recognized at fair value with due assessment to effectiveness of the hedge instrument. By following Cash Flow Hedges, the effective portion of changes in the fair value is recognized in Other Comprehensive Income (OCI) and accumulated under Cash Flow Hedge Reserve within Other Equity whereas the ineffective portion, if any, is recognized immediately in the Statement of Profit and Loss and presented under Other Income or Other Expenses, as the case may be. The effective portion, previously recognized in OCI and accumulated as Cash Flow Hedge Reserve is reclassified to the Statement of Profit and Loss in the subsequent period, during which, the hedged expected future cash flows affect profit or loss and further guided to the same line item to which the underlying is accounted. Further, in case of previously recognized forecasted transaction, upon the knowledge of its non-occurrence, the effective portion of cumulative gain or loss is forthwith recognized by transferring from Cash Flow Hedge Reserve to the Statement of Profit and Loss. If the amount accumulated in Cash Flow Hedge Reserve is a loss and Corporation expects that all or a portion of that loss will not be recovered in one or more future period, the Corporation immediately reclassifies the amount that is not expected to be recovered into profit or

loss as a reclassification adjustment. The hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

2.21.2. **Derivatives Contracts not designated as hedging instruments**

The derivative financial instruments are accounted at fair value through Profit or Loss and presented under Other Income or Other Expenses, as the case may be.

2.22. **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.23. **Taxes on Income**

2.23.1. Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

2.23.2. Deferred tax liability/ asset on account of temporary difference is recognised using tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date.

2.23.3. Deferred tax assets are recognised and carried forward for all deductible temporary differences only to the extent that it is probable that taxable profit will be available in future against which the deductible temporary difference can be utilized.

2.23.4. The carrying amount of deferred tax assets/ Liabilities is reviewed at each Balance Sheet date.

2.23.5. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, is considered as an asset when it is probable that the future economic benefits associated with it, will flow to the Corporation.

2.24. **Earnings per share**

2.24.1. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

2.24.2. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

2.25. **Cash and Cash equivalents**

Cash and cash equivalents includes cash on hand, balances with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.26. **Cash Flows**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated. For the purpose of the Statement of Cash Flows, cash and cash equivalent consist of cash, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Corporation's cash management.

3. Property, Plant and Equipments:

The following are the carrying values of Property, Plant & Equipments:

Particulars	₹ / (Crore)									
	Land - Freehold	Right-of-Use Assets	Buildings	Plant & Equipment	Furniture & Fixtures	Transport Equipment	Office Equipment	Roads and Culverts	Railway Sidings & Rolling Stock	ERP Assets
Gross Block										
As on 01.04.2019	948.06	75.31	6,050.98	37,174.18	238.75	130.40	2,978.13	2,984.27	405.57	5.77
Additional purchases in the period upto 31.03.2019	-	779.49	-	-	-	-	-	-	-	-
Additional contributions	0.80	58.14	704.77	5,301.38	12.80	15.55	51.55	773.88	55.77	-
Indemnity Provisions	0.20	-	15.16	151.71	0.55	1.05	18.38	7.12	0.70	-
As on 31.03.2020	1,042.85	3,443.31	6,743.76	42,108.33	272.00	144.90	3,472.29	3,324.83	470.15	5.77
Depreciation/ Amortisation										
As on 01.04.2019	-	0.46	578.35	7,114.64	79.29	42.08	1,249.48	1,307.37	91.87	0.73
For the year	-	17.67	175.36	1,032.70	26.56	14.70	791.25	764.66	70.06	0.34
Indemnity Provisions	-	-	7.78	178.27	7.88	0.92	15.57	1.57	0.70	-
As on 31.03.2020	-	172.09	746.83	8,774.07	101.99	61.78	1,632.20	1,670.86	121.36	1.07
Net Block as on 01.04.2019	948.06	75.85	5,472.74	30,059.54	159.46	82.32	1,729.65	1,676.90	313.64	5.04
Net Block as on 31.03.2020	1,042.85	3,271.22	5,996.93	33,335.26	170.01	83.12	1,840.09	1,653.97	348.79	4.70

refer note 41

Notes:

- Includes assets costing ₹ 0.007 Crore/- (31.03.2019: ₹ 0.007 Crore) of erstwhile Kosan Gas Company that have not been handed over to the Corporation. Though Kosan Gas Company was to give up their claim, in view of the tenancy right sought by third party, the matter is under litigation.
- Includes ₹ 799.55 Crore (31.03.2019: ₹ 465.15 Crore) towards Land, Building, Plant & Equipment, Furniture & Fixtures, Transport equipments, Office Equipments, Pipelines, Railway Sidings, etc. representing Corporation's Share of Assets, jointly owned with other Companies.
- Includes ₹ 32.35 Crore (31.03.2019: ₹ 32.39 Crore) towards Roads & Culverts, Transformers & Transmission lines, Railway Sidings & Rolling Stock for which though ownership does not vest with the Company, operational control over such assets is exercised. These assets are amortized as per useful life specified in Schedule II of Companies Act, 2013.
- a) Includes following assets used for distribution of PDS Kerosene under Jana Kalyan Pariyojana against which financial assistance had been provided by Oil Industry Development Board:

Description	Original Cost (₹ / Crore)	
	31.03.2020	31.03.2019
Roads & culverts	0.13	0.13
Buildings	1.62	1.62
Plant & Equipment	2.09	2.37
Total	3.84	4.12

- Includes following assets held under PAHAL (DBTL) scheme against which financial assistance had been provided by Ministry of Petroleum & Natural Gas, Government of India.

Description	Original Cost (₹ / Crore)	
	31.03.2020	31.03.2019
Computer Software	7.49	7.49
Computers/ End use devices	5.65	5.65
Office Equipment	0.01	0.01
Automation, Servers & Networks	1.55	1.55
Total	14.70	14.70

5. Assets held for sale consists of items such as Plant and equipment, office equipment, transport equipment, buildings, furnitures and fixtures and roads and culverts which have been identified for disposal due to replacement/ obsolescence of assets which happens in the normal course of business. These assets are expected to be disposed off within the next twelve months. On account of classification of these assets as 'Asset held for sale', an loss of ` 17.97 Crore during the year (2018-19: ` 30 Crore) has been recognised in the statement of profit and loss.
6. Includes Right of Use Assets having Gross value ` 27.57 Crore (31.03.2019: ` 27.57 Crore) for land acquired on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB), that has not been amortized over the period of lease in view of freehold title that would vest upon fulfilment of certain terms and conditions, as per allotment letter.
7. Includes adjustment to Cost of Assets pursuant to exchange differences arising on long term foreign currency monetary items, which, in accordance with Para 7AA of Ind AS 21 read with Para D13AA of Ind AS 101 are capitalized and depreciated over the balance useful life of the assets.
8. The Corporation has considered pipeline assets laid within the boundary limit of its premises as integral part of Tanks/ Other Plant and Machinery and have been depreciating such assets based on the useful life of associated Plant & Equipment, in line with the Schedule II of the Companies Act, 2013.
9. Includes reduction in depreciation for the year by ` 37.65 Crore (2018-19: NIL) in respect of 'Catalysts having Precious Metals' (Plant & Equipment), arising pursuant to change in accounting estimate towards residual value of the precious metal content which is now estimated at the cost of precious metal less estimated allowance for extraction process as against 5% as per schedule II to Companies Act, 2013 followed hitherto, in the backdrop of these precious metals commanding high valuation even after retiring from active use, as established through an Industry experience factor. Further, depreciation is additionally charged for the year by ` 7.16 Crore (2018-19: NIL) in respect of 'Catalysts not having Precious Metals' (Plant & Equipment), arising pursuant to change in accounting estimate over revision in residual value to NIL.
10. Includes reduction in depreciation for the year by ` 127.60 Crore (2018-19: NIL) in respect of LPG cylinders and pressure regulators, arising pursuant to change in accounting estimate over increase in residual value from 5% to 15% of Original Cost effective 01.04.2019. The revised estimate is based on historical data.
11. Includes assets of ` 1.20 Crore (31.03.2019: ` 1.30 Crore) forming part of Plant & Equipment, Buildings & Roads & Culverts, wherein though Infrastructure Facilities were provided at Railway Premises, no sales transactions were entered into during current financial year.
12. Assets of ` 0.03 Crore (31.03.2019: ` 0.29 Crore) comprising 4 number of properties (31.03.2019: 6) towards which title deeds for freehold/ leasehold are not available and further for assets of ` 2.27 Crore (31.03.2019: ` 2.50 Crore) comprising of 14 number of properties (31.03.2019: 19) for which property tax receipts are available.
13. The process of capitalization in respect of Property, Plant and Equipment including accounting of Capital Work in Progress is under continuous review and updation, wherever required, is being carried out on a regular basis.

(` / Crore)

	31.03.2020	31.03.2019
4. Capital Work-in-Progress		
Unallocated Capital Expenditure and Materials at Site	15,398.97	8,628.87
Capital Stores lying with Contractors	494.25	42.17
Capital goods in-transit	17.34	206.18
A	15,910.56	8,877.22
Construction period expenses pending apportionment (Net of recovery):		
Opening balance	618.67	304.47
Add: Expenditure during the year		
Establishment charges including Salaries & Wages	238.18	200.07
Interest	760.16	233.50
Loss/ (gain) on foreign currency transactions and translations	206.79	224.22
Others	0.13	0.02
	1,823.93	962.28
Less: Allocated to assets capitalised/ charged off during the year	590.80	343.61
Closing balance pending allocation	1,233.11	618.67
A + B	17,143.69	9,495.89

5. Intangible Assets

The following are the carrying values of Intangible assets:

(` / Crore)

Particulars	Right of Way	Technical/ Process Licenses	Software	Wind Energy	Total
Gross Block					
As on 01.04.2019	236.50	62.19	108.40	188.56	595.65
Additions/ Reclassifications	111.49	5.18	8.94	-	125.61
Deductions/ Reclassifications	-	-	-	-	-
As on 31.03.2020	347.99	67.37	117.34	188.56	721.26
Depreciation/ Amortisation					
As on 01.04.2019	-	37.47	61.07	41.00	139.54
For the year	0.05	6.60	21.19	10.41	38.25
Deductions/ Reclassifications	-	-	-	-	-
As on 31.03.2020	0.05	44.07	82.26	51.41	177.79
Net Block as on 01.04.2019	236.50	24.72	47.33	147.56	456.11
Net Block as on 31.03.2020	347.94	23.30	35.08	137.15	543.47

Note: Includes ` 77.14 Crore (31.03.2019: ` 71.85 Crore) towards Right of Way representing Company's Share of Assets, jointly owned with other Companies.

(` / Crore)

	31.03.2020	31.03.2019
6. Investments in Subsidiaries, Joint Ventures and Associates		
Investments in Equity Instruments		
Subsidiaries		
Un - Quoted		
HPCL - Biofuels Ltd. 62,51,71,511 (31.03.2019: 62,51,71,511) Equity Shares of ` 10 each fully paid up	395.16	395.16
Less: Provision for Impairment (refer note 56)	395.16	199.00
Prize Petroleum Company Ltd. 24,50,00,000 (31.03.2019: 24,50,00,000) Equity Shares of ` 10 each fully paid up	248.07	247.17
Less: Provision for Impairment (refer note 57)	162.98	129.41
HPCL Middle East FZCO 3,107 (31.03.2019: 520) Shares of AED 1000 each fully paid up	5.92	1.00
Associates		
Quoted		
Mangalore Refinery and Petrochemicals Ltd. 29,71,53,518 (31.03.2019: 29,71,53,518) Equity Shares of ` 10 each fully paid up	471.68	471.68
Un - Quoted		
GSPL India Transco Ltd. 5,41,20,000 (31.03.2019: 4,19,10,000) Equity Shares of ` 10 each fully paid up	54.12	41.91
GSPL India Gasnet Ltd. 10,36,22,128 (31.03.2019: 5,08,22,128) Equity Shares of ` 10 each fully paid up	103.62	50.82



- 6.1. As per the guidelines issued by Department of Public Enterprises (DPE) in August 2005, the Board of Directors of Navratna Public Sector Enterprises (PSEs) can invest in joint ventures and wholly owned subsidiaries subject to an overall ceiling of 30% of the net worth of the PSE. The Corporation has requested Ministry of Petroleum & Natural Gas (MOP&NG) to confirm its understanding that for calculating this ceiling limit, the amount of investments specifically approved by Government of India (i.e. investment in HPCL Mittal Energy Ltd. (HMEL) and HPCL Rajasthan Refinery Limited (HRRL)) are to be excluded. The Corporation has calculated the limit of 30% investment in joint ventures and wholly owned subsidiaries, by excluding these investments. As per financial position as on 31st March 2020, the investments in joint ventures and wholly owned subsidiaries are well within the said 30% limit.
- 6.2. Petronet India Ltd. is in the process of Voluntary winding up w.e.f. August 30, 2018.

(₹ / Crore)

	31.03.2020	31.03.2019
7. Other Investments		
Investment in equity instruments carried at fair value through other comprehensive income		
Quoted		
Oil India Ltd.(refer note 7.1) 2,67,50,550 (31.03.2019: 2,67,50,550) Equity Shares of ₹ 10 each fully paid up	221.23	495.82
Scooters India Ltd.(refer note 7.1) 10,000 (31.03.2019:10,000) Equity Shares of ₹ 10 each fully paid up	0.02	0.03
Investment in Equity Instruments carried at fair value through profit or loss		
Un - Quoted		
Woodlands Multispecialty Hospital Limited of face value of ₹ 0.21 lakhs 2,110 (31.03.2019:2,110) Equity shares of ₹ 10 each fully paid	0.00	0.00
Shushrusha Citizen Co-operative Hospital Limited of the face value of ₹ 0.10 lakhs 100 (31.03.2019: 100) Equity Shares of ₹ 100/- each fully paid	0.00	0.00
Total Investments in Equity Instruments	221.25	495.85
Investments in Preference Shares carried at fair value through profit or loss		
Others		
Un - Quoted		
Compulsorily Convertible Preference shares in Start-Up Companies (refer note 7.2)	8.68	2.10
Total Investments in Preference Shares	8.68	2.10
Other Investments carried at fair value through profit or loss		
Structured Entities		
Un - Quoted		
Petroleum India International (Association of Persons) Contribution towards Seed Capital (refer note 7.3)	-	0.05
Total Investments in Structured Entities	-	0.05
	229.93	498.00

- 7.1. The Corporation intends to hold these Investments for long term strategic purposes and accordingly designated them at fair value through Other Comprehensive Income. No strategic investments were disposed off during the financial year.
- 7.2. In view that these start-up are in the stage of their development and are mostly in traction and refinement stages, the carrying value of these start-ups is considered as a reasonable approximation of their fair value.
- 7.3. The Members in Petroleum India International (AOP) are: Hindustan Petroleum Corporation Ltd., Bharat Petroleum Corporation Ltd., Engineers India Ltd., Indian Oil Corporation Ltd., Reliance Industries Ltd., Chennai Petroleum Corporation Ltd., Oil and Natural Gas Corporation Limited and Oil India Ltd. The total capital is ` 0.55 Crore of which share of every member is ` 0.05 Crore each except share of Indian Oil Corporation Limited & Bharat Petroleum Corporation Ltd. which are ` 0.15 Crore & ` 0.10 Crore respectively. During the current financial year, upon refund of the remaining amount, lying in Members' account by the AOP, Members have executed a Termination Agreement dated March 18, 2020 bringing an end to the MOU, entered into between them on 01/03/1986, to be effective, upon fulfilling residual obligations by the AOP, including filing of Return under Income tax laws for the year, to be filed in early part of next financial year 2020-21.

	(` / Crore)	
	31.03.2020	31.03.2019
Disclosure towards Cost/ Market Value/ Impairment		
a. Aggregate amount of Quoted Investments (Market Value)	221.25	495.85
b. Aggregate amount of Quoted Investments (Cost)	561.77	561.77
c. Aggregate amount of Unquoted Investments (Cost)	8.68	2.15
d. Aggregate amount of Provision for Impairment	-	-

	(` / Crore)	
	31.03.2020	31.03.2019
8. Loans		
Secured		
Employee loans and advances and Interest thereon, considered good	346.32	326.97
Unsecured		
Deposits, considered good	146.80	101.00
Loans to related parties which have significant increase in credit risk (refer note 4.3)	69.50	-
Other Loans, considered good (refer note 8.1)	911.75	692.40
Loan Receivables which have significant increase in credit risk (refer note 8.1)	153.54	62.53
Loan Receivables - credit impaired (refer note 8.1)	13.34	2.00
Less: Provision for Impairment (refer note 8.2)	225.48	43.50
	1,415.77	1,141.40

- 8.1. Includes Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ` 1,027.10 Crore before impairment (31.03.2019: ` 708.95 Crore)
- 8.2. Includes Provision towards Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ` 162.43 Crore (31.03.2019: ` 43.50 Crore)

(₹ / Crore)

	31.03.2020	31.03.2019
9. Other Financial Assets		
Share application money pending allotment	0.35	3.75
Bank Deposit with more than 12 months maturity (refer note 9.1)	4.97	0.97
Lease Receivables	0.97	-
	6.29	4.72

9.1. Earmarked with various authorities.

(₹ / Crore)

	31.03.2020	31.03.2019
10. Other Non-Current Assets		
Balances with Excise, Customs, etc. (refer note 10.1)	479.20	532.33
Deposits	130.17	131.62
Advance tax (net of provisions)	1,381.51	205.37
Capital advances	207.61	347.12
Prepaid Employee Cost	176.28	146.15
Prepaid Lease Rental	0.30	706.54
Others Prepaid Expenses (Including advance)	320.29	195.98
	2,695.36	2,265.11

10.1. Includes an amount of ₹ 80.56 Crore has been carried in the books as receivable towards Custom Duty refund claims filed relating to the period 1992-1997. As per the assessment made by the management, the refund is legally tenable, management is continuing to pursue the matter with Authorities for early settlement of these claims.

(₹ / Crore)

	31.03.2020	31.03.2019
11. Inventories		
Raw materials (Including in-transit 31.03.2020: ₹ 1,020.42 Crore; 31.03.2019: ₹ 1,182.03 Crore)	2,950.06	3,462.25
Work-in-progress	914.72	775.86
Finished goods (Including in-transit 31.03.2020: ₹ 88.17 Crore; 31.03.2019: ₹ 150.13 Crore)	5,994.32	6,760.31
Stock-in-trade (Including in-transit 31.03.2020: ₹ 1,251.37 Crore; 31.03.2019: ₹ 1,322.23 Crore)	8,755.55	8,712.86
Stores and spares (Including in-transit 31.03.2020: ₹ 32.02 Crore; 31.03.2019: ₹ 3.73 Crore)	500.02	453.75
Less: Provision for Stores and Spares	7.68	7.68
Packages	34.20	36.07
	19,141.19	20,193.42

11.1. The write-down including reversals, if any, of Inventories to net realisable value during the financial year amounted to ₹ 1,002.93 Crore (31.03.2019: ₹ 79.05 Crore). The write downs and reversal are included in cost of materials consumed, changes in Inventories of finished goods, stock-in-trade and work in progress. For the write down of inventories considered as exceptional items - refer Note 62.

(₹ / Crore)

	31.03.2020	31.03.2019
12. Investments		
Investments carried at fair value through profit or loss		
Quoted - Government Securities		
6.90% Oil Marketing Companies' GOI Special Bonds, 2026 17,36,36,000 (31.03.2019:17,36,36,000) Bonds of ₹ 100 each face value	1,767.79	1,672.47
8.00% Oil Marketing Companies' GOI Special Bonds, 2026 24,41,000 (31.03.2019:24,41,000) Bonds of ₹ 100 each face value	26.18	24.94
8.20% Oil Marketing Companies' GOI Special Bonds, 2024 1,23,49,000 (31.03.2019:1,23,49,000) Bonds of ₹ 100 each face value	132.76	127.53
6.35% Oil Marketing Companies' GOI Special Bonds, 2024 18,32,33,000 (31.03.2019:18,32,33,000) Bonds of ₹ 100 each face value	1,834.06	1,735.59
7.59% Government of India, G - Sec Bonds, 2026 1,85,00,000 (31.03.2019: 1,85,00,000) Bonds of ₹ 100 each face value (refer note 12.1)	196.19	187.87
7.72% Government of India, G - Sec Bonds, 2025 8,36,00,000 (31.03.2019: 8,36,00,000) Bonds of ₹ 100 each face value (refer note 12.1)	892.01	858.40
8.33% Government of India, G - Sec Bonds, 2026 1,80,00,000 (31.03.2019: 1,80,00,000) Bonds of ₹ 100 each face value (refer note 12.1)	196.92	189.72
8.15% Government of India, G - Sec Bonds, 2026 2,75,00,000 (31.03.2019: 2,75,00,000) Bonds of ₹ 100 each face value (refer note 12.1)	298.95	287.24
	5,344.86	5,083.76

12.1. Bonds valuating ₹ 1,476 Crore (31.03.2019: ₹ 1,476 Crore) comprising 7.59 % G - Sec Bonds of ₹ 185 Crore (31.03.2019: ₹ 185 Crore), 7.72 % G - Sec Bonds of ₹ 836 Crore (31.03.2019: ₹ 836 Crore), 8.33 % G - Sec Bonds of ₹ 180 Crore (31.03.2019: ₹ 180 Crore) and 8.15 % G - Sec Bonds of ₹ 275 Crore (31.03.2019: ₹ 275 Crore), have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.

(₹ / Crore)

	31.03.2020	31.03.2019
Disclosures towards Cost/ Market Value/ Impairment		
a. Aggregate amount of Quoted Investments (Market Value)	5,344.86	5,083.76
b. Aggregate amount of Quoted Investments (Cost)	5,267.26	5,267.26
c. Aggregate amount of Unquoted Investments (Cost)	-	-
d. Aggregate amount of Provision for impairment	-	-

(₹ / Crore)

	31.03.2020	31.03.2019
13. Trade Receivables		
Unsecured, considered good	3,943.31	5,661.69
Doubtful	159.33	158.45
Less: Allowances for Bad and Doubtful Debts	159.33	158.45
Less: Impairment Provision (Expected Credit Loss Model)	20.59	8.69
	3,922.72	5,653.00

(₹ / Crore)

	31.03.2020	31.03.2019
14. Cash and Cash Equivalents		
Balances with Scheduled Banks:		
- on Current Accounts	93.19	67.44
- on Non-Operative Current Accounts	0.01	0.01
Cheques Awaiting Deposit	-	0.01
Cash on hand	1.84	8.74
	95.04	76.20

(₹ / Crore)

	31.03.2020	31.03.2019
15. Bank Balances other than cash and cash equivalents		
Earmarked balances with banks for unpaid dividend	17.70	15.99
Fixed Deposits with 3 - 12 months maturity (refer note 15.1)	0.41	3.42
	18.11	19.41

15.1: Earmarked with various authorities.

(₹ / Crore)

	31.03.2020	31.03.2019
16. Loans		
Secured		
Employee loans and advances and Interest thereon, considered good	45.16	32.60
Unsecured		
Loans to related parties which have significant increase in credit risk (refer note 43)	70.50	115.20
Other Loans, considered good (refer note 16.1)	354.35	785.06
Loan Receivables which have significant increase in credit risk (refer note 16.1)	61.42	75.04
Loan Receivables – credit impaired (refer note 16.1)	17.34	14.40
Less: Provision for Impairment (refer note 16.2)	140.93	64.20
	407.84	958.10

16.1. Includes Loan given to Pradhan Mantri Ujjwala Yojana(PMUY) consumers of ₹ 410.84 Crore before impairment (31.03.2019: ₹ 850.74 Crore)

16.2. Includes Provision towards Loan given to Pradhan Mantri Ujjwala Yojana(PMUY) consumers of ₹ 64.97 Crore (31.03.2019: ₹ 52.20 Crore)



(₹ / Crore)

	31.03.2020	31.03.2019
17. Other Financial Assets		
Amounts recoverable under subsidy schemes	432.63	810.17
Interest accrued on Investments	88.34	89.34
Derivative Assets	16.04	107.58
Delayed payment charges receivable from customers	282.93	370.92
Less: Provision for doubtful delayed payment charges receivables	121.87	119.30
Receivables from Govt. of India towards Pradhan Mantri Ujjwala Yojana (PMUY)	371.35	1,070.92
Less: Provision for doubtful receivables from Govt. of India towards PMUY	-	64.29
Receivables from Govt. of India towards Direct Benefit Transfer of LPG (DBTL)	5,576.35	7,049.63
Balance with Life Insurance Corporation of India	1,041.76	964.97
Other Receivables	276.60	279.72
Less: Provision for doubtful other receivables	27.27	18.82
	7,936.86	10,540.84

(₹ / Crore)

	31.03.2020	31.03.2019
18. Other Current Assets		
Advance recoverable other than cash	32.51	31.52
Balances with Excise, Customs, etc.	34.72	202.80
Deposits	5.81	-
Prepaid Employee Cost	15.56	13.99
Prepaid Lease Rental	10.96	44.28
Other Prepaid Expenses	292.92	307.01
Gold Coins in Hand	7.40	5.83
Other Current Assets	16.00	79.26
	415.88	684.69

(₹ / Crore)

	31.03.2020	31.03.2019
19. Equity Share capital		
A. Authorised:		
2,49,92,50,000 (31.03.2019: 2,49,92,50,000) Equity Shares of ₹ 10/- each	2,499.25	2,499.25
75,000 (31.03.2019: 75,000) Cumulative Redeemable Preference Shares of ₹ 100/- each	0.75	0.75
	2,500.00	2,500.00
B. Issued & Subscribed:		
1,52,45,25,375 (31.03.2019: 1,52,45,25,375) Equity Shares of ₹ 10/- each	1,524.53	1,524.53
C. Fully Paid up:		
1,52,38,22,625 (31.03.2019: 1,52,38,22,625) Equity Shares of ₹ 10/- each	1,523.82	1,523.82
D. Shares Forfeited:		
7,02,750 (31.03.2019: 7,02,750) Shares Forfeited (money received)	0.39	0.39
	1,524.21	1,524.21

	31.03.2020	31.03.2019
E. Reconciliation of number of Equity Shares		
Outstanding at the beginning of the year	1,52,38,22,625	1,52,38,22,625
Equity shares allotted as fully paid bonus shares	-	-
Outstanding at the end of the year	1,52,38,22,625	1,52,38,22,625

F. Rights and Restrictions on Equity/ Preference Shares

The Company has only one class of Equity Shares having a face value of ` 10/- per share which are issued and subscribed. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of the winding up of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by the shareholders and the amount paid up thereon.

The Company also has 75,000 6% cumulative Redeemable Non-convertible Preference Shares of ` 100/- each as a part of the Authorised Capital, which were issued earlier by the erstwhile ESSO Standard Refining Co. of India Ltd. (ESRC). Presently the said Preference Shares stand redeemed.

G. Details of share held by each shareholder, holding more than 5% shares in the company:

Name of shareholders	31.03.2020	
	% Holding	No. of Shares
Oil and Natural Gas Corporation Limited	51.11	77,88,45,375

Name of shareholders	31.03.2019	
	% Holding	No. of Shares
Oil and Natural Gas Corporation Limited	51.11	77,88,45,375

H. In the period of five years immediately preceding 31st March, 2020:

The Company had issued Bonus Shares during Financial Years 2017-18 and 2016-17 in the ratio of 1:2 and 2:1 respectively by capitalization of Reserves. The total number of Bonus Shares issued during Financial Years 2017-18 and 2016-17 are 50,79,40,875 and 67,72,54,500 equity shares respectively, having face value of ` 10 each.

(` / Crore)

	31.03.2020	31.03.2019
20. Other Equity		
Debenture Redemption Reserve (i)	625.00	-
Foreign Currency Monetary Item Translation Difference Account (ii)	-	(2.91)
General Reserve (iii)	1,777.65	1,777.65
Retained Earnings (iv)	25,394.07	24,941.79
Equity Instruments through Other Comprehensive Income (v)	(340.53)	(65.92)
Cash Flow Hedge Reserve (vi)	(18.04)	-
	27,438.15	26,650.61
(i) Debenture Redemption Reserve		
As per last Balance Sheet	-	-
Add: Transfer from Retained Earnings (refer note 20.1)	625.00	-
	625.00	-



	(` / Crore)	
	31.03.2020	31.03.2019
20.1. The reserve is created on Non-Convertible Debentures (totalling to ` 2,500 Crore) issued till 15 th August 2019 under Companies Act, 2013.		
(ii) Foreign Currency Monetary Item Translation Difference Account (refer note 20.2)		
As per last Balance Sheet	(2.91)	(0.64)
Add: Additions during the year	(0.79)	(6.58)
Less: Amortised during the year	(3.70)	(4.31)
	-	(2.91)
20.2. Represents exchange rate variation on loan taken for acquisition of non-depreciable assets, amortized over loan period.		
(iii) General Reserve		
As per last Balance Sheet	1,777.65	1,777.65
	1,777.65	1,777.65
(iv) Retained Earnings		
As per last Balance Sheet	24,941.79	20,632.77
Add: Profit/ (Loss) for the year	2,637.26	6,028.66
Add: Reversal of Tax Expense on exercising option under Section 115BAA of Income-tax Act, 1961 (refer note 44)	324.89	-
Less: Transfer to Debenture Redemption Reserve	625.00	-
Less: Transition impact of Ind AS 115 (net of tax)	-	82.17
Less: Profit appropriated to Interim/ Final Dividend	1,432.39	1,371.44
Less: Profit appropriated to Tax on Distributed Profits	294.43	281.90
Less: Remeasurement (Gain)/ Loss on Defined Benefit Plans	158.05	(15.87)
	25,394.07	24,941.79
(v) Equity Instruments through Other Comprehensive Income		
As per last Balance Sheet	(65.92)	14.23
Add: Additions during the year	(274.61)	(80.15)
	(340.53)	(65.92)
(vi) Cash Flow Hedge Reserve		
As per last Balance Sheet	-	-
Add: Effective Portion of Gains/ (loss) in a Cash Flow Hedge	(18.04)	-
	(18.04)	-
	27,438.15	26,650.61

(₹ / Crore)

	31.03.2020	31.03.2019
21. Borrowings		
Bonds and Debentures (refer note 21.1)		
Un - secured		
Foreign Currency Bonds	3,771.95	3,446.62
8.00% Non-Convertible Debentures	499.75	-
7.00% Non-Convertible Debentures	1,999.76	-
6.80% Non-Convertible Debentures	2,999.77	-
6.38% Non-Convertible Debentures	599.75	-
7.03% Non-Convertible Debentures	1,399.76	-
Term loans		
Secured		
Oil Industry Development Board (refer note 21.2)	2,931.19	692.38
Un - secured		
Syndicated Loans from Foreign Banks (repayable in foreign currency) (refer note 21.3)	10,180.01	9,307.59
Others		
Un - secured		
Lease Liability (under Ind AS 116)	2,493.11	-
	26,875.05	13,446.59
Less: Current Maturities of Long Term Borrowings	4,331.26	2,129.37
Less: Current Maturities of Lease Liabilities	256.62	-
	22,287.17	11,317.22

21.1. Bonds and Debentures

Particulars of Bond/ Debenture	Coupon Rate of Interest	Date of Maturity/ Redemption
7.03% Non-Convertible Debentures	7.03% p.a. payable Annually	12 th April 2030
USD 500 million bonds	4.00% p.a. payable Half Yearly	12 th July 2027
7.00% Non-Convertible Debentures	7.00% p.a. payable Annually	14 th August 2024
8.00% Non-Convertible Debentures	8.00% p.a. payable Annually	25 th April 2024
6.38% Non-Convertible Debentures	6.38% p.a. payable Annually	12 th April 2023
6.80% Non-Convertible Debentures	6.80% p.a. payable Annually	15 th December 2022

21.2. Term Loans from Oil Industry Development Board

Repayable during	in Crore		Range of Interest Rate as on	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
2019-20	-	61.19	-	7.86%-9.17%
2020-21	181.19	181.19	7.72%-8.28%	7.72%-8.09%
2021-22	725.00	150.00	6.53%-8.28%	7.72%-8.28%
2022-23	725.00	150.00	6.53%-8.28%	7.72%-8.28%
2023-24	725.00	150.00	6.53%-8.28%	7.72%-8.28%
2024-25	575.00	-	6.53%-7.96%	-
Total	2,931.19	692.38		

The loan has been secured with first charge on the facilities of Vishakh Refinery Modernisation Project, Mumbai Refinery Expansion Project, Awa Salawas Pipeline, Manglore Hassan Mysore LPG Pipeline, Uran-Chakan/ Shikarpur LPG Pipeline & Rewari Mathura Kanpur Pipeline for a value of ` 15,815.87 Crore (31.03.2019: ` 8,087.03 Crore). Of the loan amount ` 181.19 Crore (31.03.2019: ` 61.19 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26.

21.3. Syndicated Loans from Foreign Banks (repayable in foreign currency)

The Corporation has availed Syndicated Loans from foreign Banks at 3 months floating LIBOR plus spread (spread range: 65 to 155 basis point p.a.). These loans are taken for the period up to 5 years. Of the loan amount ` 4,150.07 Crore (31.03.2019: ` 2,068.18 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26.

(₹ / Crore)

	31.03.2020	31.03.2019
22. Other Financial Liabilities		
Other Liabilities	0.70	0.51
	0.70	0.51

(₹ / Crore)

	31.03.2020	31.03.2019
23. Provisions		
Provision for employee benefits	50.20	55.30
	50.20	55.30

(₹ / Crore)

	31.03.2020	31.03.2019
24. Other Non-Current Liabilities		
Capital Grant	1.01	1.87
Other liabilities	210.47	121.81
	211.48	123.68

(₹ / Crore)

	31.03.2020	31.03.2019
25. Borrowings		
Loans repayable on demand		
Secured		
from banks		
Cash Credit (Secured by hypothecation of Inventories in favour of Banks on <i>pari passu</i> basis)	3,001.57	2,748.61
from other parties		
Triparty Repo Dealing System Loan (refer Note 25.1)	1,399.94	1,389.73
Un-secured		
from banks		
Clean Loans	3,056.02	3,500.00
Short term loans	6,246.11	3,866.04
from other parties		
Commercial papers	2,442.16	2,288.73
	16,145.80	13,793.11

25.1. Bonds valuating ` 1,476 Crore (31.03.2019: ` 1,476 Crore) comprising 7.59 % G - Sec Bonds of ` 185 Crore (31.03.2019: ` 185 Crore), 7.72 % G - Sec Bonds of ` 836 Crore (31.03.2019: ` 836 Crore), 8.33 % G - Sec Bonds of ` 180 Crore (31.03.2019: ` 180 Crore) and 8.15 % G - Sec Bonds of ` 275 Crore (31.03.2019: ` 275 Crore), have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.

(` / Crore)

	31.03.2020	31.03.2019
26. Other Financial Liabilities		
Current maturities of Long Term Borrowings (refer note 26.1)	4,331.26	2,129.37
Current maturities of Lease Liabilities	256.62	-
Interest accrued but not due on loans	249.91	54.13
Unpaid Dividend (refer note 26.2)	17.70	15.99
Derivative Liability	79.51	12.52
Deposits from Dealers/ Consumers/ Suppliers (refer note 26.3)	15,436.10	14,451.63
Liability towards Capital Expenditures:		
Outstanding dues of micro enterprises and small enterprises (refer note 51)	339.55	342.61
Outstanding dues of creditor other than micro and small enterprises	1,643.81	1,577.41
Other Financial Deposits	10.77	11.61
Other Liabilities	973.51	876.77
	23,338.74	19,472.04

26.1. Includes loans repayable within one year: Syndicated Loans from Foreign Banks (repayable in foreign currency) ` 4,150.07 Crore (31.03.2019: ` 2,068.18 Crore); Loan from Oil Industry and Development Board ` 181.19 Crore (31.03.2019: ` 61.19 Crore).

26.2. Dues as at the end of the year for credit to Investors' Education and Protection Fund is ` NIL (31.03.2019: NIL).

26.3. Includes deposits received towards Rajiv Gandhi Gramin LPG Vitrak Yojana ` 241.89 Crore (31.03.2019: ` 241.89 Crore) and Prime Minister Ujjwala Yojana of ` 3,020.91 Crore (31.03.2019: ` 2,675.09 Crore). These deposits have been either made by Government of India or created out of CSR fund.

(` / Crore)

	31.03.2020	31.03.2019
27. Other Current Liabilities		
Revenue received in advance	1,046.95	915.94
Capital Grant	0.91	2.16
Statutory Payables	1,706.01	2,642.33
Other Liabilities	158.35	154.07
	2,912.22	3,714.50

(` / Crore)

	31.03.2020	31.03.2019
28. Provisions		
Provision for Employee Benefits	1,903.31	1,211.02
Provisions for probable obligations (refer note 53)	1,045.13	1,024.07
	2,948.44	2,235.09

(₹ / Crore)

	31.03.2020	31.03.2019
29. Current Tax Liabilities (Net)		
Provision for tax (net of advance tax) (refer note 44)	366.97	831.27
	366.97	831.27

(₹ / Crore)

	2019-20	2018-19
30. Gross Sale of Products		
Sale of Products	2,85,904.90	2,94,699.81
Recovery under Subsidy Schemes	345.37	1,012.75
	2,86,250.27	2,95,712.56

30.1. Net of discount of ₹ 2,348.47 Crore (2018-19: ₹ 2,598.66 Crore).

30.2. Includes Subsidy on PDS Kerosene and Domestic Subsidized LPG from State Governments amounting to ₹ 63.95 Crore (2018-19: ₹ 55.63 Crore).

30.3. Includes Budgetary Support amounting to ₹ 281.41 Crore (2018-19: ₹ 957.12 Crore) under 'Recovery under Subsidy Schemes' towards under-recovery on sale of PDS SKO.

30.4. Disaggregation of revenue as required under Ind AS 115:

(₹ / Crore)

	2019-20	2018-19
Exports	6,203.38	2,705.29
Other than export	2,80,046.89	2,93,007.27
	2,86,250.27	2,95,712.56

(₹ / Crore)

	2019-20	2018-19
31. Other Operating Revenues		
Rent Recoveries	827.02	834.33
Net Recovery for LPG Filling Charges	0.63	0.96
Miscellaneous Operating Income	339.01	398.46
	1,166.66	1,233.75

(₹ / Crore)

	2019-20	2018-19
32. Other Income		
Interest Income on Financial Assets carried at amortized cost:		
On Deposits	0.40	0.53
On Staff Loans	41.72	33.48
On Customers' Accounts	272.62	262.70
Interest On Current Investments carried at fair value through Profit or Loss	366.30	367.62
Interest on Other Financial Assets carried at amortized cost	312.44	221.03
	993.48	885.36
Dividend Income from Joint Venture/ Associate Companies	154.83	207.75
Dividend Income from non-current equity instruments at FVOCI	28.76	25.41
Fair value gain on Derivative instruments carried at FVTPL	-	45.42
Fair value gain on Current Investments carried at FVTPL	262.66	84.39
Profit on Sale of Current Investment	0.55	4.61
Profit on Sale/ write off of Property Plant & Equipments/ Capital Work in Progress/ Assets classified as held for Sale/ Disposal (net)	18.01	8.97
Share of Profit from Petroleum India International (AOP)	0.34	0.02
Miscellaneous Income	379.54	413.08
	844.69	789.65
	1,838.17	1,675.01

(₹ / Crore)

	2019-20	2018-19
33. Cost of Materials Consumed		
Cost of Raw Materials Consumed	59,430.19	69,284.77
Packages Consumed	320.50	346.50
	59,750.69	69,631.27

(₹ / Crore)

	2019-20	2018-19
34. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress (Increase)/ Decrease		
(A) Closing Stock:		
Work-in-progress	914.72	775.86
Finished Goods	5,994.32	6,760.31
Stock-in-trade	8,755.55	8,712.86
	15,664.59	16,249.03
(B) Opening Stock:		
Work-in-progress	775.86	735.94
Finished Goods	6,760.31	5,776.32
Stock-in-trade	8,712.86	7,570.25
	16,249.03	14,082.51
(C) Write down of inventories considered under Exceptional Items (refer note 62)	1,002.93	-
(B-A-C)	(418.49)	(2,166.52)

(₹ / Crore)

	2019-20	2018-19
35. Employee Benefits Expense		
Salaries, Wages, Bonus, etc.	2,258.15	2,274.47
Contribution to Provident Fund (refer note 68)	329.90	149.31
Pension, Gratuity and Other Employee Benefits	266.04	195.59
Employee Welfare Expenses	339.37	317.54
	3,193.46	2,936.91

(₹ / Crore)

	2019-20	2018-19
36. Finance costs		
Interest	717.19	501.14
Exchange differences regarded as an adjustment to borrowing costs	345.32	160.26
Other borrowing costs (refer note 36.1)	19.21	64.54
	1,081.72	725.94

36.1. Includes interest u/s 234B/ 234C of Income Tax Act, 1961 for an amount NIL (2018-19: ₹ 39.78 Crore).

(₹ / Crore)

	2019-20	2018-19
37. Other Expenses		
Transportation Expenses	6,139.80	6,098.07
Consumption of Stores, Spares and Chemicals	285.75	282.05
Power and Fuel	2,714.75	3,291.47
Less: Consumption of fuel out of own production	2,223.37	2,775.80
Power and fuel consumed (net)	491.38	515.67
Repairs and Maintenance - Buildings	59.73	57.43
Repairs and Maintenance - Plant and Machinery	1,183.88	1,055.87
Repairs and Maintenance - Other Assets	486.80	417.35
Insurance	74.31	55.41
Rates and Taxes	92.70	79.12
Irrecoverable Taxes and Other Levies	416.38	515.53
Equipment Hire Charges	2.32	2.05
Rent	289.60	323.32
Travelling and Conveyance	235.72	239.64
Printing and Stationery	19.52	20.92
Electricity and Water	831.11	874.01
Corporate Social Responsibility (CSR) Expenses	182.24	159.81
Stores and spares written off	2.42	1.95
Impairment in value of Non - Current Investments	229.73	38.00
Provision for Doubtful Receivables/ Loans (After adjusting provision no longer required written back ₹ NIL, 2018-19: ₹ 0.58 Crore)	205.43	136.80
Provision for Doubtful Debts (After adjusting provision no longer required written back ₹ NIL, 2018-19: ₹ 0.02 Crore)	12.78	34.00
Bad Debts written off	0.21	15.17
Security Charges	280.57	266.39
Advertisement and Publicity	155.59	198.31
Sundry Expenses and Charges (Not otherwise classified)	1,187.95	754.58
Consultancy and Technical Services	67.18	69.72
Loss on Foreign Currency Transaction and Translation (net)	873.50	624.35
Fair value Loss on Derivative instruments carried at FVTPL (net)	44.75	-
Exploration cost	30.75	3.78
Payments to the auditors for:		
- Audit Fees	0.72	0.62
- Other Services	0.39	0.25
- Reimbursement of expenses	0.14	0.13
	13,883.35	12,840.30

38. Fair Value Measurements:**38.A. Classification of Financial Assets and Financial Liabilities:**

The following table shows the carrying amounts of Financial Assets and Financial Liabilities which are classified as Fair value through Profit or Loss (FVTPL), Fair Value through Other Comprehensive Income (FVTOCI) and Amortized Cost:

(` / Crore)

	31.03.2020			31.03.2019		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments						
- Investment in Equity Instruments	0.00	221.25	-	0.00	495.85	-
- Investment in Preference Shares	8.68	-	-	2.10	-	-
- Investment in Debt Instruments	5,344.86	-	-	5,083.76	-	-
- Others	-	-	-	0.05	-	-
Loans						
- Employee Loans	-	-	391.48	-	-	359.57
- Other loans	-	-	1,432.13	-	-	1,739.93
Trade receivables	-	-	3,922.72	-	-	5,653.00
Cash and cash equivalents	-	-	95.04	-	-	76.20
Other Bank Balances	-	-	18.11	-	-	19.41
Derivative Assets	16.04	-	-	107.58	-	-
Amounts recoverable under subsidy schemes	-	-	432.63	-	-	810.17
Others	-	-	7,494.48	-	-	9,627.81
Total	5,369.58	221.25	13,786.59	5,193.49	495.85	18,286.09
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	-	3,771.95	-	-	3,446.62
- Non Convertible Debentures	-	-	7,498.79	-	-	-
- Oil Industry Development Board	-	-	2,931.19	-	-	692.38
- Syndicated Loans from Foreign Banks	-	-	10,180.01	-	-	9,307.59
- Cash Credit	-	-	3,001.57	-	-	2,748.61
- Short term loans from banks	-	-	6,246.11	-	-	3,866.04
- Clean Loans	-	-	3,056.02	-	-	3,500.00
- Triparty Repo Dealing System Loan	-	-	1,399.94	-	-	1,389.73
- Commercial papers	-	-	2,442.16	-	-	2,288.73
Lease Liabilities	-	-	2,493.11	-	-	-
Trade Payables	-	-	11,295.22	-	-	16,956.67
Deposits from Consumers	-	-	15,436.10	-	-	14,451.63
Derivative Liability	79.51	-	-	12.52	-	-
Others	-	-	3,235.95	-	-	2,879.03
Total	79.51	-	72,988.12	12.52	-	61,527.03

38.B. Fair value hierarchy:

This section explains the judgements and estimates made in determining the fair value of the Financial Assets and Financial Liabilities that are recognised and measured at fair value and amortised cost. To provide an indication about the reliability of the inputs used in determining fair value, Corporation has classified its Financial Assets and Financial Liabilities into the three levels prescribed under the accounting standard. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. An explanation of each level is provided under Significant Accounting Policies.

(₹ / Crore)

	31.03.2020			31.03.2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investments						
- Investment in Equity Instruments	221.25	-	-	495.85	-	-
- Investment in Debt Instruments	5,344.86	-	-	5,083.76	-	-
- Others	-	-	-	-	0.05	-
Loans						
- Employee Loans	-	391.48	-	-	359.57	-
- Other loans	-	1,437.94	-	-	1,559.69	-
Derivative Assets	-	16.04	-	-	107.58	-
Total	5,566.11	1,845.46	-	5,579.61	2,026.89	-
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	3,435.78	-	-	3,393.49	-
- Non Convertible Debentures	-	7,640.55	-	-	-	-
- Oil Industry Development Board Loan	-	3,011.98	-	-	704.67	-
Derivative Liability	-	79.51	-	-	12.52	-
Total	-	14,167.82	-	-	4,110.68	-

38.C. Valuation techniques used to determine Fair Value:

Type	Valuation technique
Derivative instruments - forward exchange contracts	Discounted cash flow i.e. fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract.
Derivative instruments - Commodity derivatives	Fair value of commodity derivative contracts is estimated by determining the difference between the contractual price and the current forward price for the residual maturity of the contract.
Derivative instruments - interest rate swap	Discounted cash flows i.e. Present value of expected receipt/ payment.
Non-current financial assets and liabilities measured at amortised cost	Discounted cash flows. The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates.

39. Financial risk management:**39.A. Risk management framework**

The Corporation has established an Enterprise Risk Management (ERM) framework under the Corporation's Risk Management Charter and Policy 2007, which is embedded at the forefront of business strategies and focuses on the stronger, deeper and trust-based relationship with the stakeholders. It provides necessary support to the business to steer through the continuously evolving risk terrain through dynamic risk management approach that embraces disruption and enhances resiliency and trust. The Risk Management Steering Committee (RMSC) receives regular insights on risk exposures faced by the Corporation along with the mitigation & treatment plans, thereby enabling it to provide prompt interventions. The Board is also updated regularly on the risk assessment and mitigation procedures. Technology is enabled to support the Enterprise Risk Management processes with a focus on optimizing risk exposures and automating risk reporting across the Corporation. Reputed professional external consultants have also been engaged to establish a mechanism to bring the outside view to effectively enhance the visibility of external business risks and support the change management in the transformation of existing ERM processes.

39.B. Corporation has identified financial risk and categorised them in three parts Viz. (i) Credit Risk, (ii) Liquidity Risk & (iii) Market Risk. Details regarding sources of risk in each such category and how Corporation manages the risk is explained in following notes:**39.B.1. Credit risk:**

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet their contractual obligations. The risk arises principally from the Company's Receivables from Customers and so also from Investment Securities. The risk is managed through credit approval, establishing credit limits and continuous monitoring of the creditworthiness of Customers to whom the Corporation extends credit terms in the normal course of business. The Corporation recognizes a loss allowance towards Doubtful Debts by estimating its expected losses in respect of Trade Receivables, Investments and Other Receivables.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount

Note: Refer Note 59 regarding loans given to consumers under Pradhan Mantri Ujjwala Yojna (PMUY).

Trade receivables:

The Corporation's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

As at 31.03.2020, the Corporation's most significant customer accounted for ₹ 843.34 Crore of the Trade Receivables (31.03.2019: ₹ 1,085.54 Crore).

The Corporation uses an allowance matrix to measure the expected credit losses on trade receivables that are considered good. The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) on such trade receivables:

(₹ / Crore)

Past due	31.03.2020			31.03.2019		
	Gross carrying amount	Weighed average loss rate	Loss allowance	Gross carrying amount	Weighed average loss rate	Loss allowance
0-90 days	3,599.85	0.03%	1.25	5,383.40	0.03%	1.56
91-360 days	292.03	1.17%	3.42	273.20	2.95%	8.07
More than 360 days	210.76	83.15%	175.25	163.54	96.31%	157.51
	4,102.64		179.92	5,820.14		167.14

The movement in loss allowance on trade receivables is as follows:

	(₹ / Crore)
Balance as at 01.04.2018	133.15
Add: Loss allowance recognised	45.61
Less: Amounts written off	11.62
Balance as at 31.03.2019	167.14
Add: Loss allowance recognised	12.99
Less: Amounts written off	0.21
Balance as at 31.03.2020	179.92

The amounts written off relates to customers who have defaulted payments and are not expected to be expected to pay their outstanding balances, mainly due to economic circumstances.

Cash and Cash Equivalents:

The Corporation held cash and cash equivalents of ₹ 95.04 Crore as on 31.03.2020 (31.03.2019: ₹ 76.20 Crore). The cash and cash equivalents (other than cash on hand) are held with scheduled banks. The Corporation invests its surplus funds for short duration in fixed deposit with banks, Govt. of India T-bills and liquid Schemes of Mutual Funds, all of which carry no mark to market risks as the Corporation is exposed only to low credit risk.

Derivatives:

The forex and interest rate derivatives are entered into with banks having an investment grade rating. Commodity derivatives are entered with reputed Counterparties in the OTC (Over-the-Counter) Market. The exposure to counter-parties are closely monitored and kept within the approved limits.

Investment in Debt Securities:

Investment are made in government securities or bonds which do not carry any credit risk, being sovereign in nature.

39.B.2. Liquidity risk:

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due. Corporation has a strong focus on effective management of its liquidity to ensure that all business and financial commitments are met on time. The Corporation has adequate borrowing limits in place duly approved by its Shareholders and Board. Corporation's sources of liquidity includes operating cash flows, cash and cash equivalents, fund and non-fund based lines from banks and liquid investment portfolio. Corporation ensures that there is minimal concentration risk by diversifying its portfolio across instruments and counterparties. Cash and fund flow management is monitored daily in order to have smooth and continuous business operations.

(i) Financing arrangements:

The Corporation has an adequate fund and non-fund based lines from various banks. The Corporation has sufficient borrowing limits in place duly, approved by its Shareholders and Board. Domestic and international credit rating from reputed credit rating agencies enables access of funds both from domestic as well as international market. Corporation's diversified source of funds and strong operating cash flow enables it to maintain requisite capital structure discipline. Corporation diversifies its capital structure with a mix of instruments and financing products across varying maturities and currencies. The financing products include syndicated loans, foreign currency bonds, TREPS loan, commercial paper, non-convertible debentures, buyer's credit loan, clean loan etc. Corporation taps domestic as well as foreign debt markets from time to time to ensure appropriate funding mix and diversification of geographies.

(ii) Maturities of financial liabilities:

The amounts disclosed in the table below are the contractual undiscounted cash flow:

(` / Crore)

	Contractual cash flows					
	31.03.2020			31.03.2019		
	Upto 1 year	1-3 years	More than 3 years	Upto 1 year	1-3 years	More than 3 years
Non-derivative financial liabilities						
Borrowings and interest thereon	21,646.77	6,417.08	17,639.15	16,480.71	4,888.95	8,365.50
Trade payables	11,295.22	-	-	16,956.67	-	-
Other financial liabilities	3,235.25	-	15,436.80	2,879.54	-	14,452.14
Financial guarantee contracts	-	-	609.10	-	-	570.57
Total	36,177.24	6,417.08	33,685.05	36,316.92	4,888.95	23,388.21
Derivative financial liabilities/ (Assets)						
Interest rate swaps	(4.35)	-	-	(35.48)	(21.36)	-
Commodity contracts (net settled)	60.44	-	-	(48.23)	-	-
Forward exchange contracts (Gross settled)						
- Inflows	-	-	-	(2,004.06)	-	-
- Outflows	-	-	-	2,008.90	-	-
Total	56.09	-	-	(78.87)	(21.36)	-

* Outstanding loan of one of the step down subsidiary, guaranteed by the Corporation by way of providing 'Corporate Guarantee', payable in the event of default by the step down subsidiary on its repayment obligation. As of the Reporting date, there has been no default by the step down subsidiary and hence the Corporation does not have any present obligation in relation to such guarantee.

39.B.3. **Market Risk - Market Risk is further categorised in (i) Currency risk , (ii) Interest rate risk & (iii) Commodity risk:**

39.B.3.1. **Currency risk:**

The Corporation is exposed to currency risk, primarily on account of its repayment obligations of loans taken in foreign currency and imports, to be paid in foreign currency. The exposure is mainly denominated in U.S.Dollar. The Corporation has a Forex Risk Management Cell (FRMC) which actively review the forex and interest rate exposures. The Corporation uses generic derivative contracts to mitigate the risk of changes in foreign currency exchange rates in line with Corporation's forex risk management policy. The Corporation does not use derivative financial instruments for trading or speculative purposes.

Following is the derivative financial instrument to hedge the foreign exchange risk as of dates:

Category	Instrument	Currency	Cross Currency	31.03.2020	31.03.2019	Buy/ Sell
Hedges of recognized assets and liabilities	Forward contract	USD	INR	-	\$ 300.65 mn	Buy
				-	\$ 12.92 mn	Sell

Exposure to currency risk - The currency profile of financial assets and financial liabilities is as below:
(` / Crore)

	31.03.2020		31.03.2019	
	INR	Exposure in USD (INR terms)	INR	Exposure in USD (INR terms)
Financial assets				
Non-current investments	229.93	-	498.00	-
Current investments	5,344.86	-	5,083.76	-
Long-term loans	1,415.77	-	1,141.40	-
Short-term loans	407.84	-	958.10	-
Trade receivables	3,748.44	174.28	5,474.43	178.57
Cash and Cash Equivalents	95.04	-	76.20	-
Other Bank Balances	18.11	-	19.41	-
Others Non Current Financial Assets	6.29	-	4.72	-
Others Current Financial Assets	7,920.82	16.04	10,433.26	107.58
Exposure for assets - A	19,187.10	190.32	23,689.28	286.15
Financial liabilities				
Long term borrowings & Lease Liabilities	12,923.09	13,951.96	692.38	12,754.21
Short term borrowings	9,899.69	6,246.11	9,927.07	3,866.04
Trade Payables	7,154.42	4,140.80	9,947.29	7,009.38
Other Financial Liabilities	18,655.29	96.27	17,330.66	12.52
	48,632.49	24,435.14	37,897.40	23,642.15
Less: Foreign currency forward exchange contracts	-	-	-	1,989.92
Exposure for liabilities - B	48,632.49	24,435.14	37,897.40	21,652.23
Net exposure (Assets - Liabilities)(A - B)	(29,445.39)	(24,244.82)	(14,208.12)	(21,366.08)

The following exchange rates have been applied during the year:

INR	31.03.2020	31.03.2019
USD 1	75.67	69.16

Sensitivity analysis:

The table below shows sensitivity of open forex exposure of the Corporation to USD/ INR currency movement. The impact of exposure to a currency movement in the range of 1% (+/-) change, increase denoting appreciation in USD Vs. INR & vice versa is explained through the said Table. The indicative 1% movement is directional and does not reflect management's forecast on currency movement.

Effect in INR	Impact on profit or (loss) due to % increase/ Decrease in currency (` / Crore)			
	Increase	Decrease	Increase	Decrease
	31.03.2020		31.03.2019	
1% movement	1%		1%	
USD	(242.45)	242.45	(213.66)	213.66

39.B.3.2. Interest rate risk:

The Corporation has long-term foreign currency syndicated loans with floating rate of interest, which exposes the Corporation to cash flow interest rate risk. The borrowings at floating rate are denominated in USD. The Corporation manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under this, the Corporation agrees with other Parties to exchange at specified intervals (i.e. quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. The Corporation monitors the interest rate movement and manages the interest rate risk, based on the Corporation's Forex Risk Management Policy. The Corporation also has a Forex Risk Management Cell (FRMC) that actively reviews the forex and interest rate exposures. The Corporation does not use derivative financial instruments for trading or speculative purposes.

The Corporation's borrowings, contracted at fixed rate are carried at amortised cost. These are not impacted to interest rate risk as defined in Ind AS 107 as neither the carrying amount nor the future cash flows will fluctuate in the event of a change in market interest rates.

The derivative financial instrument used in hedging the interest rate risk is as under:

(₹ / Crore)

Category	Instrument	Currency	Cross Currency	31.03.2020	31.03.2019
Hedges of floating rate foreign currency loans (\$ 250 mn) (31.03.2019: \$ 500 mn)	Interest rate swaps	USD	INR	1,891.63	3,458.00

Interest rate risk exposure:

The Corporation's interest rate risk arises mainly from borrowings. The profile of the Corporation's interest-bearing financial instruments at period end is as follows:

(₹ / Crore)

	Carrying amount	
	31.03.2020	31.03.2019
Fixed-rate instruments		
Financial assets	5,425.68	5,150.96
Financial liabilities	24,101.62	14,066.07
Variable-rate instruments		
Financial assets	2,656.78	2,903.73
Financial liabilities	16,426.12	13,173.63

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25 basis points in interest rates at Reporting Date would have impacted profit or loss [increased/ (decreased)] by the amounts shown below. The indicative 25 basis point (0.25%) movement is directional and does not reflect management forecast on interest rate movement. This analysis assumes that all other variables, in particular, foreign currency exchange rate remaining constant.

	Impact on Profit or (loss) (₹ / Crore)			
	25 bp increase	25 bp decrease	25 bp increase	25 bp decrease
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Floating rate borrowings	(28.25)	28.25	(22.87)	22.87
Interest rate swaps (notional principal amount)	4.14	(4.14)	6.94	(6.94)
Cash flow sensitivity (net)	(24.11)	24.11	(15.93)	15.93

39.B.3.3. **Commodity Risk:**

The Corporation's Profitability is exposed to the risk of fluctuation in prices of Crude Oil and Petroleum products in international markets. The Corporation monitors and reduces the impact of the volatility in International Oil prices based on approved Oil Price Risk Management Policy by entering into derivative contracts in the OTC market. The Corporation also has Oil Price Risk Management Committee (OPRMC) which actively reviews and monitors risk management principles, policies and risk management activities.

Category-wise quantitative break-up of Commodity derivative contracts entered into by the Corporation which are Outstanding as at Balance Sheet date is given below:

	Quantity (in Mn Barrels)	
	31.03.2020	31.03.2019
Crude/ Product Swaps	4.23	2.11

The sensitivity to a reasonable possible change of 10% in the price of crude/ product swaps on the outstanding Commodity derivative/ paper contracts as on Balance Sheet date would increase/ decrease the profit or loss by amounts shown below. This 10% movement is directional and does not reflect any forecast of price movement.

	Effect on Profit before Tax (` / Crore)			
	10% Increase	10% Decrease	10% Increase	10% Decrease
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Crude/ Product Swaps	2.80	(2.80)	(13.00)	13.00

Derivatives & Hedging

The Corporation enters into derivative contracts for hedging purpose, to mitigate the commodity price risk, on Highly probable forecast transactions as detailed above. Effective 01 January 2020, the Corporation has applied Hedge Accounting on commodity derivative transactions entered subsequent to 01 January 2020 as per Ind AS 109 (Financial Instruments). Consequent to this a Mark to Market debit amounting to ` 24.11 Crore has been accounted in Other Comprehensive Income which will be recycled to Statement of Profit and Loss in subsequent period on settlement of respective contracts.

All these hedges are accounted for as Cash Flow Hedges.

Hedge Effectiveness:

The Corporation has established a hedge ratio of 1:1 for the hedging relationship as the underlying risk of the commodity forward contracts are identical to the hedged risk component. Hedge item and the hedging instruments have economic relationship as the terms of the commodity forward contracts match with the terms of hedge items. Considering the economic relationship and characteristics of the hedging instrument being aligned to the hedged item, the fair value changes in the hedging instrument reasonably approximates the fair value changes in the hedged Item (in absolute amounts).

Source of Hedge Effectiveness:

The Corporation has identified the following sources of hedge ineffectiveness which are not expected to be material:

- Counterparty Credit Risk impacting the fair value of the hedge instrument and hedge item.
- Difference in the timing of the cash flows of the hedged items and the hedge instruments
- Different indexes used to hedge risk of the hedged item.
- Changes to forecasted amounts of cash flows of hedged items and hedging instruments.

Disclosures of effects of Cash Flow Hedge Accounting:

The Corporation has applied Hedge Accounting prospectively for the highly probable forecast transactions as stated above, entered after 01 January 2020. Consequently, disclosure is made only for the transactions designated for Hedge Accounting.

The Corporation is holding the following derivative contracts:

(` / Crore)

As at March 31, 2020	Maturities					Total
	Less than 1 Month	1-3 Months	3-6 Months	6-12 Months	More than 12 Months	
Commodity Forward Contracts						
Nominal Volume (Quantity in Mn Barrels)	-	0.45	0.38	0.15	-	0.98
Nominal amount (₹ / Crore)	-	24.06	15.85	10.47	-	50.38

The Impact of Hedging Instruments in Balance sheet is as under:

(` / Crore)

As at March 31, 2020	Commodity forward contract- Margin Hedging
Nominal Amount	50.38
Carrying Amount	(24.11)
Line item in Balance sheet that include Hedge Instrument	Other Financial Assets/ Other Financial Liabilities

The Impact of Cash flow Hedge in the statement of Profit and Loss and Other comprehensive Income (OCI):

(` / Crore)

As at March 31, 2020	Highly Probable Forecast Transaction
Hedging Gain/ (Loss) recognised in OCI*	(24.11)
Income tax on Above	6.07
Net amount recognised in Cash flow Hedge Reserve	(18.04)
Line item in the Statement of Profit and Loss that includes the reclassification adjustment	Revenue/ Purchases

* The corporation expects that the amount of Loss recognised in cash flow hedge reserve through Other comprehensive income (OCI) will be recovered in future period through gains in underlying transactions.

39.B.3.4. Price risk:

The Corporation's exposure to equity investment has price risk. Such investments are designated at fair value through Other Comprehensive Income, as these investments are held for long-term strategic purposes.

Sensitivity

The table below summarises the impact of increase/ decrease in price:

	Equity Instruments through OCI (In ` Crore)			
	1% Increase	1% Decrease	1% Increase	1% Decrease
	31.03.2020		31.03.2019	
Equity Investment in Oil India Ltd.	2.21	(2.21)	4.96	(4.96)

39.C.1. Offsetting:

The financial instruments that are otherwise eligible for offset and other similar arrangements but are not offset, as at period end. The column 'net amount' shows the impact on the balance sheet if all set-off rights are exercised.

(₹ / Crore)

	Effect of offsetting on the Balance Sheet			Related amounts not offset	
	Gross amounts (A)	Gross amounts set off in the balance sheet (B)	Net amounts presented in the Balance Sheet (C) (A-B)	Amounts not Offset (D) (Other than (B))	Net Amount (E) (C-D)
As on Mar 31, 2020					
Financial assets					
Trade Receivables	7720.43	(3,797.71)	3,922.72	(38.22)	3,794.50
Financial liabilities					
Trade Payables	15,092.93	(3,797.71)	11,295.22	-	11,295.22
Other Current Financial Liabilities	23,338.74	-	23,338.74	(38.22)	23,200.52
As on 31st March, 2019					
Financial assets					
Trade Receivables	6,422.93	(769.93)	3,653.00	(24.35)	5,411.64
Financial liabilities					
Trade Payables	17,726.60	(769.93)	16,956.67	-	16,956.67
Other Current Financial Liabilities	19,472.04	-	19,472.04	(24.35)	19,230.58

40. Revenue from Contracts with Customers:

The revenue is recognised only upon satisfaction of performance obligation and whenever there are remaining performance obligations, the same is recognised as revenue, a) in case of amount received in advance from a Customer, when the product is delivered to the Customer, b) in case of loyalty points earned by Customer, when such points are redeemed/ expire. Such remaining obligations, termed as Contract Liability under the IND-AS 115 'Revenue Recognition' at period end together with Trade Receivable is as under:

(₹ / Crore)

	31.03.2020	31.03.2019
Trade Receivables	3,922.72	5,653.00
Liabilities under contractual obligation	1,046.95	915.94

During the financial year, the Corporation recognized revenue of ₹ 836.60 Crore (2018-19: ₹ 538.69 Crore) arising from opening unearned revenue.

41. Disclosures as per Ind AS 116 'Leases' are as follows:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases, replacing the existing Standard Ind AS 17, to be effective from Accounting Period beginning with April 01, 2019. The adoption of Standard calls for recognition of 'Lease Liability' & 'Right-of-use Assets', wherever the term of lease is in excess of 12 months, unless the underlying Asset is of low value. Applicable for Lessees, this Standard removes distinctive recognition, measurement and disclosure requirements between Operating Lease & Finance lease, hitherto prevalent. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of sales) are excluded from measurement. On transition to the new Standard, usage of either a full retrospective or a modified retrospective approach is permitted with options to use certain practical expedients.

The Corporation enters into lease arrangements for underlying assets such as land, office premises, staff quarters. The Corporation had chosen modified retrospective approach and accordingly comparatives for the year ending March 31, 2019 are not separately presented. Further, measurement of 'Lease Liability' & 'Right-of-use Assets' have been made prospective as though the lease term is deemed to begin with the current Accounting Period.

The Corporation has used the following practical expedients:

1. Applying a single discount rate to a portfolio of leases with similar remaining lease term.
2. Not applying the transition requirements to leases for which the lease term ends within 12 months of the date of initial application i.e. April 01, 2019.

A. Maturity analysis of lease liabilities:

The amounts disclosed in the table below are the contractual undiscounted cash flow:

(` / Crore)

	31.03.2020
Less than one year	269.44
Between one and three years	512.72
More than three years	5,092.03
	5,874.19

B. Other Disclosures

(` / Crore)

Particulars	31.03.2020
a) Expense relating to short-term leases	781.06
b) Expense relating to leases of low-value assets	4.89
c) Expense relating to variable lease payments not included in the measurement of lease liabilities	4,512.62
d) Income from sub-leasing of 'right-of-use'	60.64
e) Interest expense on lease liabilities	201.72
f) Total cash outflow for leases	264.05

C. The following are the carrying values of Right of use ("ROU") assets:

(` / Crore)

Particulars	Class of Underlying Asset		
	Land	Buildings	Total
Gross Block			
As on 01.04.2019 [#]	76.31	-	76.31
Right Of Use asset recognised on initial application of Standard*	2,742.63	42.23	2,784.86
Additions/ Reclassifications	570.42	11.72	582.14
As on 31.03.2020	3,389.36	53.95	3,443.31
Depreciation/ Amortisation			
As on 01.04.2019 [#]	0.46	-	0.46
For the year	157.59	14.04	171.63
As on 31.03.2020	158.05	14.04	172.09
Net Block as on 31.03.2020	3,231.31	39.91	3,271.22

[#] "Finance Leases" under the erstwhile standard Ind AS 17, has now become "Right-to-use Assets" under Ind AS 116.

* See, 'D. Transition Impact', below.

D. Transition impact

As on transition date i.e. April 01, 2019, the Corporation has recognized 'Right-of-use assets' of ` 2,784.86 Crore towards:

- The prepaid expenses of ` 731.68 Crore (Non-Current: ` 706.78 Crore; Current ` 24.90 Crore) with respect to leases recognised in the Balance Sheet as on March 31, 2019; and
- The lease liability of ` 2,053.18 Crore (Non-Current: ` 1,978.99 Crore; Current ` 74.19 Crore) is recognised on transition date for leases previously classified as operating lease with the exception of short-term leases and leases of low-value underlying assets as under:

(` / Crore)

Particulars	
Operating lease commitments at March 31, 2019	2,177.12
Adjustment for:	
Effect of discounting (using weighted average incremental borrowing rate at 8.69%)	(311.15)
In-eligible GST on Operating Lease commitment not considered in lease Liability	(205.82)
Net effect on account of restatement of Liability	(829.94)
Prepaid Operating Leases included in 'Lease commitments'	(199.1)
Lease Recognised on implementation of Ind AS 116	1,722.08
Total lease liabilities at April 1, 2019	2,053.18

The nature of expenses in respect of certain leases hitherto classified under "Lease Rental" has been rechristened to "Depreciation and amortisation expense" and "Finance Cost", thus, not comparable with the previous year.

Pursuant to the adoption of this Standard, had the leases been accounted for as per erstwhile Standard the 'Depreciation and Amortisation Expenses' would be lower by ` 170.79 Crore, 'Finance Cost' would be lower by ` 201.72 Crore and 'Other Expenditure' would be higher by ` 247.67 Crore. Net decrease in Profit Before Tax on account of implementation of this Standard during the current financial year is ` 124.84 Crore.

42. Related Party Disclosure:

A. Name of the Related Party and the nature of the relationship:

1. Holding Company, Subsidiaries, Jointly controlled entities and Associates (Govt. related entities, except otherwise mentioned):

(a) Holding Company

- i. Oil & Natural Gas Corporation Ltd.

(b) Subsidiaries

- i. HPCL Biofuels Ltd.
- ii. Prize Petroleum Company Ltd. (PPCL)
- iii. Prize Petroleum International Pte. Ltd. (a wholly owned subsidiary of PPCL)
- iv. HPCL Middle East FZCO

(c) Jointly controlled entities

- i. HPCL Rajasthan Refinery Ltd.
- ii. Bhagyanagar Gas Ltd.
- iii. Petronet MHB Ltd.

- iv. Mumbai Aviation Fuel Farm Facility Pvt. Ltd.
- v. Godavari Gas Pvt. Ltd.
- vi. Aavantika Gas Ltd.
- vii. Ratnagiri Refinery & Petrochemicals Ltd.
- viii. Ujjwala plus foundation
- ix. HPOIL Gas Pvt. Ltd.
- x. IHB Pvt. Ltd. (incorporated on 09th July 2019)

(d) Jointly controlled entities (Other than Govt. related entities)

- i. HPCL-Mittal Energy Ltd.
- ii. Hindustan Colas Pvt. Ltd.
- iii. South Asia LPG Company Pvt. Ltd.
- iv. Petronet India Ltd. (in process of voluntary winding up w.e.f. 30th August 2018)
- v. HPCL Shapoorji Energy Pvt. Ltd.

(e) Associates

- i. GSPL India Gasnet Ltd.
- ii. GSPL India Transco Ltd.
- iii. Mangalore Refinery and Petrochemicals Ltd.

(f) Fellow Subsidiaries

- i. ONGC Mangalore Petrochemicals Ltd.
- ii. ONGC Petro Additives Ltd.

2. Key Management Personnel

- i. Shri Mukesh Kumar Surana, Chairman and Managing Director
- ii. Shri Pushp Kumar Joshi, Director - Human Resources
- iii. Shri Vinod S. Shenoy, Director - Refineries
- iv. Shri R. Kesavan, Director - Finance (effective 05th September 2019)
- v. Shri Rakesh Misri, Director - Marketing (effective 17th October 2019)
- vi. Shri S. Jeyakrishnan, Director - Marketing (upto 30th June 2019)
- vii. Shri R. Kesavan, Chief Finance Officer
- viii. Shri V. Murali, Company Secretary

3. Independent Directors

- i. Shri Ram Niwas Jain (upto 19th November 2019)
- ii. Smt. Asifa Khan (upto 12th February 2020)
- iii. Shri G.V. Krishna (upto 12th February 2020)
- iv. Dr. Trilok Nath Singh (upto 19th March 2020)
- v. Shri Amar Sinha
- vi. Shri Siraj Hussain
- vii. Shri G. Rajendran Pillai (effective 15th July 2019)

4. Government Nominee Directors

- i. Shri Sunil Kumar (effective 30th May 2019)
- ii. Shri Subhash Kumar
- iii. Shri Sandeep Poundrik (upto 01st May 2019)

Note: The disclosure requirements in respect of transactions with 'Govt. related entities', being exempted under Ind AS 24, the rest of Related Party Disclosures (i.e. Parties named in '1(d)' above) are furnished as under:

B. Details of transactions with related parties

		(₹ / Crore)	
No.	Nature of Transactions	2019-20	2018-19
(i)	Sale of goods		
	HPCL-Mittal Energy Ltd.	132.63	112.80
	Hindustan Colas Pvt. Ltd.	482.38	414.58
	South Asia LPG Company Pvt. Ltd.	0.20	0.26
		615.21	527.64
(ii)	Purchase of goods		
	HPCL-Mittal Energy Ltd.	38,168.16	41,262.49
	Hindustan Colas Pvt. Ltd.	82.58	62.43
		38,250.74	41,324.92
(iii)	Dividend income		
	HPCL-Mittal Energy Ltd.	50.03	49.97
	Hindustan Colas Pvt. Ltd.	18.90	23.63
	South Asia LPG Company Pvt. Ltd.	55.00	45.00
		123.93	118.60
(iv)	Services provided (Manpower Supply Service)		
	HPCL-Mittal Energy Ltd.	0.67	0.76
	Hindustan Colas Pvt. Ltd.	2.73	3.19
	South Asia LPG Company Pvt. Ltd.	0.66	0.98
	HPCL Shapoorji Energy Pvt. Ltd.	0.30	0.46
		4.36	5.39
(v)	Lease rental income		
	HPCL-Mittal Energy Ltd.	1.20	1.20
	Hindustan Colas Pvt. Ltd.	0.26	0.24
	South Asia LPG Company Pvt. Ltd.	1.16	1.10
		2.62	2.54
(vi)	Other Income (Services provided)		
	HPCL-Mittal Energy Ltd.	18.91	22.00
	Hindustan Colas Pvt. Ltd.	3.61	6.23
		22.52	28.23
(vii)	Others Expenses (Services availed)		
	HPCL-Mittal Energy Ltd.	16.16	17.98
	Hindustan Colas Pvt. Ltd.	4.23	11.35
	South Asia LPG Company Pvt. Ltd.	91.03	83.76
		111.42	113.09

		₹ / Crore)	
No.	Nature of Transactions	2019-20	2018-19
(viii) Investment in equity shares			
	HPCL Shapoorji Energy Pvt. Ltd.	151.00	4.00
		151.00	4.00
		31.03.2020	31.03.2019
(ix) Receivables			
	HPCL-Mittal Energy Ltd.	6.72	10.93
	South Asia LPG Company Pvt. Ltd.	0.11	0.05
	HPCL Shapoorji Energy Pvt. Ltd.	0.13	0.11
		6.96	11.09
(x) Payables			
	HPCL-Mittal Energy Ltd.	1,363.04	2,403.87
	Hindustan Colas Pvt. Ltd.	29.37	27.11
	South Asia LPG Company Pvt. Ltd.	8.47	11.78
		1,400.88	2,442.76

C. Transactions with other Government-Controlled Entities

The Company is a Government related entity, engaged in the business of refining of crude oil and marketing of petroleum products. The Company also deals on regular basis with entities directly or indirectly controlled by the Central/ State Governments through its Government authorities, agencies, affiliations and other organizations (collectively referred as "Government related entities").

Apart from transactions with Companys' group Companies, the Company has transactions with other Government related entities, including but not limited to the followings:

- sale and purchase of products
- rendering and receiving services
- leasing of assets;
- depositing and borrowing money; and
- use of public utilities

These transactions are conducted in the ordinary course of the Company's business on terms comparable to those with other entities that are not Government related.

D. Remuneration paid to Key Management Personnel (KMP)*

		₹ / Crore)	
No.	Description	2019-20	2018-19
(i)	Short - Term Employee Benefits	4.28	6.14
(ii)	Post - Employment Benefits	0.46	0.65
		4.74	6.79

* Remuneration to KMP has been considered from/ to the date from which they became KMP.

E. Amount due from Key Management Personnel

(₹ / Crore)

No.	Description	2019-20	2018-19
(i)	Shri Mukesh Kumar Surana	0.08	0.09
(ii)	Shri Pushp Kumar Joshi	0.16	0.22
(iii)	Shri Vinod S Shenoy	0.06	0.07
(iv)	Shri R. Kesavan	-	-
(v)	Shri Rakesh Misri	0.07	-
(vi)	Shri S Jeyakrishnan	-	0.30
(vii)	Shri V. Murali	0.11	0.12
		0.48	0.80

F. Sitting Fee paid to Non-Executive Directors

(₹ / Crore)

Details of Meeting	Shri Ram Niwas Jain	Smt.Asifa Khan	Shri G.V. Krishna	Dr Trilok Nath Singh	Shri Amar Sinha	Shri Siraj Hussain	Shri G. Rajendran Pillai
Board	0.03	0.04	0.04	0.04	0.04	0.04	0.03
Audit Committee	0.02	-	0.02	0.02	0.02	0.01	-
Nomination & Remuneration Committee	-	0.00	-	0.00	-	0.00	-
Stakeholders Relationship Committee	-	0.01	0.01	-	-	0.01	-
Investment Committee	0.01	0.01	0.00	-	0.02	0.01	-
CSR & SD Committee	0.01	0.00	0.02	0.02	0.02	-	-
Independent Directors Meeting	-	-	-	0.00	0.00	0.00	0.00
Total Sitting Fees	0.07	0.06	0.09	0.08	0.10	0.07	0.03

43. Disclosure as required by Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.:

(₹ / Crore)

No.	Particulars	Balance as on		Maximum amount outstanding during the year	
		31.03.2020	31.03.2019	2019-20	2018-19
(a)	Loans and advances in the nature of loans to subsidiary Companies (by name and amount):				
	Inter Corporate Loan to HPCL-Biofuels Ltd.	140.00	115.20	150.00	123.60
(b)	Loans and advances in the nature of loans to joint ventures (by name and amount)	-	-	-	-
(c)	Loans and advances in the nature of loans to firms/ companies in which directors are interested	-	-	-	-
(d)	Investment by the loanee in the shares of HPCL and its subsidiary company, when the Company has made a loan or advance in the nature of loan	-	-	-	-

44. Tax expense:**(a) Amount recognised in Statement of Profit and Loss:**

(₹ / Crore)

	2019-20	2018-19
Current tax expense		
Current year	166.95	2,727.65
Changes in estimates relating to prior years	103.92	(50.62)
Deferred tax expense		
Origination and reversal of temporary differences	316.50	561.95
Changes in estimates relating to prior years	(1,652.04)	71.02
Tax expense recognised	(1,064.67)	3,310.00

(b) Amount recognised in Other Comprehensive Income:

(₹ / Crore)

	2019-20			2018-19		
	Before tax	Tax expense/(benefit)	Net of tax	Before tax	Tax expense/(benefit)	Net of tax
Items that will not be reclassified to profit or loss:						
Remeasurements of the defined benefit plans	(211.20)	53.15	(158.05)	24.39	(8.52)	15.87
Items that will be reclassified to profit or loss:						
Effective Portion of Gains/(loss) in a Cash Flow Hedge	(24.11)	6.07	(18.04)	-	-	-

(c) Reconciliation of effective tax rate

	31.03.2020		31.03.2019	
	%	(₹ / Crore)	%	(₹ / Crore)
Profit before tax		1,572.59		9,338.66
Tax as per Corporate Tax Rate	25.168%	395.79	34.944%	3,263.30
Tax effect of:				
Non-deductible tax expenses	8.375%	131.70	1.061%	99.04
Tax-exempt income	-2.070%	(32.56)	-0.719%	(67.11)
Interest expense u/s 234B/C not deductible for tax purposes	0.000%	-	0.149%	13.90
Deduction for research and development expenditure	0.000%	-	-0.209%	(19.53)
Adjustments recognised in current year in relation to the current tax of prior years	-98.443%	(1,548.11)	0.218%	20.40
Others	-0.731%	(11.49)	0.000%	-
Income Tax Expense	-67.702%	(1,064.67)	35.444%	3,310.00

(d) Movement in deferred tax balances

(₹ / Crore)

	Net balance 01.04.2019	Recognised in Profit or Loss	Recognised in OCI	Net balance 31.03.2020
Deferred tax Asset				
Provision for Employee Benefits	159.72	(23.99)	(0.98)	134.75
Current investments	70.37	(85.92)	-	(15.55)
Provision for Doubtful Debts & Receivables	166.98	8.06	-	175.04
Disallowance u/s 43B	89.65	(73.51)	-	16.14
Others	101.18	(0.03)	6.07	107.22
	587.90	(175.39)	5.09	417.60
Deferred Tax Liabilities				
Property, plant and equipment	7,736.71	(1,827.58)	-	5,909.13
Others	15.94	(15.94)	-	-
	7,752.65	(1,843.52)	-	5,909.13
Deferred Tax (assets)/ Liabilities	7,164.75	(1,668.13)	(5.09)	5,491.53

	Net balance 01.04.2018	Recognised in Profit or Loss	Recognised in OCI	Net balance 31.03.2019
Deferred tax Asset				
Provision for Employee Benefits	156.37	10.07	(6.72)	159.72
Current investments	99.20	(28.83)	-	70.37
Provision for Doubtful Debts & Receivables	107.04	59.94	-	166.98
Disallowance u/s 43B	222.72	(133.07)	-	89.65
Others	24.34	76.84	-	101.18
	609.67	(15.05)	(6.72)	587.90
Deferred Tax Liabilities				
Property, plant and equipment	7,162.92	573.79	-	7,736.71
Others	15.94	-	-	15.94
	7,178.86	573.79	-	7,752.65
Deferred Tax (assets)/ Liabilities	6,569.19	588.84	6.72	7,164.75

(e) Provision for tax for earlier years written back (net) ₹ 1,548.11 Crore (2018-19: ₹ 20.40 Crore) comprise of net additional provision towards current tax of ₹ 103.92 Crore (2018-19: ₹ (50.62) Crore) and reversal of excess provision towards deferred Tax amounting to ₹ 1,652.03 Crore (2018-19: ₹ (71.02) Crore), as under:

- i) The Corporation has decided to opt for Vivad Se Vishwas Scheme, 2020 in respect of all eligible income tax disputes. Tax liability amounting to ₹ 764.87 Crore has been estimated towards which a provision of ₹ 141.86 Crore was being carried in the Books. Further, a net amount of ₹ 519.09 Crore representing excess provision no longer required due to favourable orders in tax disputes, changes in tax positions based on the management assessment and other consequential adjustments, has since been reversed. Thus, a net tax current tax expense of ₹ 103.92 Crore has been recognized in the Statement of Profit and Loss towards the aforesaid scheme.

- ii) The Corporation has opted for new tax regime and tax rate under Section 115BAA of the Income Tax Act, 1961 have been considered to determine the tax liability (net). In accordance with Ind As 12, the carried balance of deferred tax liabilities (net) has therefore been re-measured basis tax rates that have been enacted on the reporting date. Accordingly an amount of ₹ 2,012.50 Crore being excess amount of deferred tax liability (net) has been reversed. Out of the above ₹ 324.89 Crore has been transferred to Retained earnings in 'Other Equity' since the amount was originally routed through reserves and the balance of ₹ 1,687.61 Crore net of other consequential adjustments in deferred tax asset amounting to ₹ 35.58 Crore equaling to ₹ 1,652.03 Crore has been credited to Statement of Profit and Loss.

45. Earnings per share (EPS):

Basic EPS is derived by way of dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year, whereas Diluted EPS factors the effects of all dilutive potential ordinary shares.

	(₹ / Crore)	
	2019-20	2018-19
Profit attributable to equity holders for basic and diluted earnings per share (A)	2,637.26	6,028.66
Weighted average number of shares for basic and diluted earnings per shares (B)	1,52,38,22,625	1,52,38,22,625
Basic and Diluted Earnings per Equity Share (₹) (A/B)	17.31	39.56

46. Capital management

The Corporation's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Company's debt to equity ratio, used for monitoring capital management is as follows:

	(₹ / Crore)	
	31.03.2020	31.03.2019
Long Term Borrowings (refer note # 21)	26,875.05	13,446.59
Total Equity (refer note # 19 and 20)	28,962.36	28,174.82
Debt to Equity ratio	0.93	0.48

47. Dividends

	(₹ / Crore)	
	31.03.2020	31.03.2019
(i) Dividends paid during the year		
Final dividend per fully paid share for the year ended 31.03.2019: ₹ 9.40 (31.03.2018: ₹ 2.50)	1,726.82	459.27
This amount includes Dividend distribution tax of ₹ 294.43 Crore (31.03.2018: ₹ 78.31 Crore).		
Interim dividend per fully paid share for the year ended 31.03.2020: ₹ NIL (31.03.2019: ₹ 6.50). This amount includes Dividend distribution tax of ₹ NIL (31.03.2019: ₹ 203.60 Crore).	-	1,194.08
(ii) Dividends to be paid, not recognised at the end of the reporting period		
The Board have recommended a final dividend of ₹ 9.75 per fully paid equity share (31.03.2019: ₹ 9.40), subject to the approval of shareholders in the ensuing annual general meeting.	1,485.73	1,432.39
Dividend distribution tax on above	-	294.43

48. In compliance of Ind AS-27 'Separate Financial Statements', the required information is as under:

Name of Company	Country of Incorporation	Nature of Investments	Percentage of ownership interest as on	
			31.03.2020	31.03.2019
HPCL - Biofuels Ltd.	India	Subsidiary	100.00	100.00
Prize Petroleum Company Ltd.	India	Subsidiary	100.00	100.00
HPCL Middle East FZCO	Dubai	Subsidiary	100.00	100.00
HPCL Rajasthan Refinery Ltd.	India	Joint Venture	74.00	74.00
Hindustan Colas Private Ltd.	India	Joint Venture	50.00	50.00
South Asia LPG Company Pvt. Ltd.	India	Joint Venture	50.00	50.00
HPCL Shapoorji Energy Private Ltd.	India	Joint Venture	50.00	50.00
HPCL-Mittal Energy Ltd.	India	Joint Venture	48.99	48.99
Aavantika Gas Ltd.	India	Joint Venture	49.99	49.99
Petronet MHB Ltd.	India	Joint Venture	50.00	32.72
Godvari Gas Pvt. Ltd.	India	Joint Venture	26.00	26.00
Mumbai Aviation Fuel Farm Facility Pvt. Ltd.	India	Joint Venture	25.00	25.00
Bhagyanagar Gas Ltd.*	India	Joint Venture	24.99	24.99
Petronet India Ltd.	India	Joint Venture	16.00	16.00
Ratnagiri Refinery & Petrochemicals Ltd.	India	Joint Venture	25.00	25.00
HPOIL Gas Pvt. Ltd.	India	Joint Venture	50.00	50.00
IHB Pvt. Ltd.**	India	Joint Venture	25.00	-
Mangalore Refinery and Petrochemicals Ltd.	India	Associate	16.96	16.96
GSPL India Transco Ltd.	India	Associate	11.00	11.00
GSPL India Gasnet Ltd.	India	Associate	11.00	11.00

* As of 31st March 2014, paid up equity capital of BGL was ` 5 lacs, in which HPCL and GAIL were holding 24.99% each. Balance 50.02% of shares were held by Kakinada Seaports Ltd. (KSPL) on warehousing basis. In addition, each one of HPCL and GAIL had paid ` 22.49 Crore as Advance against Equity/ Share application money (totalling to ` 44.98 Crore) in earlier years. On 20th August 2014, BGL allotted 2,24,87,500 shares on preferential basis to each of HPCL and GAIL towards the money paid earlier. Meanwhile there are certain issues pending adjudication with another shareholder. Accordingly, keeping in view financial prudence, HPCL's share has been considered at 24.99% (considered as 24.99% in F.Y. 2018-19).

** IHB Private Limited, was incorporated on 09th July 2019 having shareholding in the ratio 50:25:25 between with Indian Oil Corporation Limited, Hindustan Petroleum Corporation Ltd. and Bharat Petroleum Corporation Limited respectively to set-up LPG pipeline between Kandla-Gorakhpur.

Ujjwala Plus Foundation, a joint venture of Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Ltd. (HPCL) was incorporated on 21st July 2017 as a not for profit Private Company Limited by Guarantee (Without Share Capital) under Section 8 of the Companies Act 2013.

49. The Corporation has entered into production sharing Oil & Gas exploration contracts in India in consortium with other body corporates. The details are as under:

Name of the Block	Participating Interest of HPCL in%	
	31.03.2020	31.03.2019
In India		
Under NELP IV		
KK- DWN-2002/2	20.00	20.00
KK- DWN-2002/3	20.00	20.00
CB- ONN-2002/3	15.00	15.00
Under NELP V		
AA-ONN-2003/3	15.00	15.00
Under NELP VI		
CY-DWN-2004/1	10.00	10.00
CY-DWN-2004/2	10.00	10.00
CY-DWN-2004/3	10.00	10.00
CY-DWN-2004/4	10.00	10.00
CY-PR-DWN-2004/1	10.00	10.00
CY-PR-DWN-2004/2	10.00	10.00
KG-DWN-2004/1	10.00	10.00
KG-DWN-2004/2	10.00	10.00
KG-DWN-2004/3	10.00	10.00
KG-DWN-2004/5	10.00	10.00
KG-DWN-2004/6	10.00	10.00
MB-OSN-2004/1	20.00	20.00
MB-OSN-2004/2	20.00	20.00
RJ-ONN-2004/1	22.22	22.22
RJ-ONN-2004/3	15.00	15.00
Under NELP IX		
MB-OSN-2010/2	30.00	30.00
Cluster - 7	60.00	60.00

- (i) The block CB-ONN-2002/3 was awarded under NELP IV bidding round and the production sharing contract was signed on 06.02.2004. The exploration Minimum Work Program has been completed. Production from SE#3/4 wells of the Block is in progress, which had started during FY 2017-18. The share of the assets, liabilities, income and expenditure is considered based on the Management certified financials for the FY 2019-20.
- (ii) In respect of Cluster - 7, the matter is under litigation (refer Note No. 52.1). The share of the assets, liabilities, income and expenditure is considered based on the Management Certified financials for FY 2019-20.
- (iii) Other than (i) & (ii) above, the remaining blocks are in the process of relinquishment/ under relinquishment and the share of the assets, liabilities, income and expenditure, if any, is considered based on information received from these blocks.

50. During the financial year 2019-20, Corporation has spent ` 182.24 Crore (2018-19: ` 159.81 Crore) towards Corporate Social Responsibility (CSR) as against the budget of ` 182.13 Crore (2018-19: ` 158.86 Crore):

(` / Crore)

Head of Expenses	2019-20	2018-19
1 Promoting Education	39.58	29.93
2 Promoting Health Care	25.03	12.75
3 Empowerment of Socially and Economically Backward groups	6.64	2.33
4 Promotion of Nationally recognized and Para-Olympic Sports	0.88	0.78
5 Imparting Employment by Enhancing Vocation Skills	41.27	20.23
6 Swachh Bharat Abhiyaan	27.22	56.82
7 Environment Sustainability	36.80	34.21
8 Others	4.82	2.76
	182.24	159.81

Amount spent during the Financial year 2019-20 on:

(` / Crore)

Details	In cash	Yet to be paid in cash	Total
(i) Construction/ Acquisition of an assets	-	-	-
(ii) On purpose other than (i) above	162.69	19.55	182.24

Amount spent during the Financial year 2018-19 on:

(` / Crore)

Details	In cash	Yet to be paid in cash	Total
(i) Construction/ Acquisition of an assets	-	-	-
(ii) On purpose other than (i) above	154.19	5.62	159.81

51. To the extent Micro and Small Enterprises have been identified, the outstanding balance, including interest thereon, if any, as at balance sheet date is disclosed on which Auditors have relied upon:

(` / Crore)

	31.03.2020		31.03.2019	
	Liability towards Capital Expenditure	Trade Payables	Liability towards Capital Expenditure	Trade Payables
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:				
- Principal	339.55	105.56	342.61	82.15
- Interest	-	-	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:				
- Principal	-	-	-	-
- Interest	-	-	-	-

(₹ / Crore)

	31.03.2020		31.03.2019	
	Liability towards Capital Expenditure	Trade Payables	Liability towards Capital Expenditure	Trade Payables
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

52. Contingent Liabilities and Commitments*:

(₹ / Crore)

I. Contingent Liabilities	31.03.2020	31.03.2019
A. Disputed demands/ claims subject to appeals/ representations filed by the Corporation		
i. Income Tax	-	88.03
ii. Sales Tax/ Octroi	1,880.18	2,178.96
iii. Excise/ Customs	378.46	409.10
iv. Land Rentals & Licence Fees	224.97	219.48
v. Others	87.37	26.03
	2,570.98	2,921.60
B. Disputed demands/ claims subject to appeals/ representations filed against the Corporation		
i. Sales Tax/ Octroi	0.77	0.77
ii. Employee Benefits/ Demands (to the extent quantifiable)	212.88	258.55
iii. Claims against the Corporation not acknowledged as Debts (refer note 52.1)	430.20	341.50
iv. Others	144.98	138.20
	788.83	739.02

* Contingent Liabilities considered as 'remote' as per Ind AS 37 are not included.

(₹ / Crore)

	2019-20	2018-19
II. Guarantees given to others	1,888.43	1,969.00

52.1. Prize Petroleum Company Limited (PPCL), a subsidiary company of Hindustan Petroleum Corporation Ltd.) with a Participating Interest (PI) of 10% along with 2 other consortium members, M/s Hindustan Petroleum Corporation Ltd. (HPCL) (PI-60%) and M/s M3nergy Sdn. Bhd (M/s M3nergy) (PI-30%) were awarded service contract in March, 2006 for development of ONGC's offshore marginal oilfields of cluster-7. PPCL was the executing contractor. Parties provided necessary Bank Guarantees to ONGC. Since M/s M3nergy could not meet their contractual obligations, the contract was terminated by ONGC and Bank guarantees were forfeited. PPCL and HPCL demanded the refund of the monies forfeited towards encashment of Bank Guarantee along with other claims from M/s M3nergy. A counter claim of 36.51 Million USD equivalent to ` 276.25 Crore (36.51 Million USD @ Exchange rate of 1 USD = ` 75.665) was made by M3nergy on termination of such service contract. This amount is not included above. The matter was referred to Arbitration.

The Arbitral Tribunal passed 3 Awards. The 1st Partial Award, the 2nd Partial Award and the Final Award. All three were in favour of HPCL and PPCL. The 1st partial arbitration award held that M3nergy has committed breach of the contract and hence their claims were disallowed and the Arbitral Tribunal held that HPCL and PPCL are entitled for damages, which will be quantified later. The 2nd Partial Award dated 27/09/2017 allowed 2 claims of HPCL/ PPCL in the ratio of 6:1, viz., (1) A claim of USD 91.3 million (equivalent ` 444.44 Crore) towards loss of profit (by a majority Award) and (2) a claim of recovery of damages by way of money lost due to encashment of Bank Guarantees of ` 41.6 Crore (by a unanimous Award). Both amounts were allowed with interest as specified.

All three Awards were challenged by M3nergy before the Bombay High Court in the previous year. Hence, HPCL/ PPCL filed applications for (a) Mareva Injunction and (b) Enforcement of the Award before the Courts in Malaysia.

By Orders dated 10th January, 2019 the Bombay High Court set aside all partial Arbitration Awards. As the Awards were set aside, on 28.02.2019 the Malaysian High Court at Kuala Lumpur allowed the application of M3nergy to set aside the enforcement order with liberty to file fresh proceedings, if HPCL/ PPCL succeed later. Meanwhile, HPCL and PPCL have filed Appeals against the setting aside order before the Division Bench of the Bombay High Court. After hearing, on 16th of October, 2019 the Bombay High Court set aside the Single Judge's Order and remanded all the 3 matters back to the Single Judge of the High Court, to decide the matter afresh on merits. This Order was challenged by M3nergy before the Supreme Court by an SLP which, after brief arguments, was dismissed as withdrawn on 31st January 2020. The matter is to come up for hearing before the Single Judge of High court to decide the matter afresh on merits.

As a result, the award amount which is approximate ` 416.61 Crore (78.26 Million USD @ exchange rate of ` 48.68 for a US Dollar prevailing on January 6, 2009 plus ` 35.66 Crore) and interest thereon has not been recognized on a conservative basis. Similarly, the claim raised by M3Energy is also not included above.

(` / Crore)

III. Commitments	31.03.2020	31.03.2019
Estimated amounts of contracts remaining to be executed on capital account not provided for	22,278.25	20,633.66

52.2. Corporation has entered into a long term product off take agreement with M/s HPCL- Mittal Energy Limited (HMEL), its joint venture company, for purchase of petroleum products produced by the refinery. This agreement has a take or pay clause and the Corporation is committed to purchase the said petroleum products over the tenure of the agreement.

52.3. In respect of certain Joint Venture/ Associate Companies, the Corporation and other joint venture partners have committed that they would jointly hold at least 51 % of share capital of such Joint Venture/ Associate till the repayment of certain bank loans/ bonds.

IV. Corporation's Share in aggregate of Contingent Liabilities of Jointly Controlled Operations (refer Note No.49):

(` / Crore)

Jointly controlled Operations	31.03.2020	31.03.2019
Contingent Liabilities	276.25	252.50

53. In compliance of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets', the requisite information with respect to movement in balance is as under:

(` / Crore)

Particulars	Opening Balance as on 01.04.2019	Additions	Utilization	Reversals	Closing Balance as on 31.03.2020
Excise	0.59	-	0.50	0.09	-
Sales Tax/ Octroi/ Entry Tax	438.04	1.40	95.27	133.82	210.35
Service Tax	13.50	0.26	6.28	7.48	-
Others	571.94	322.56	0.88	58.84	834.78
Total	1,024.07	324.22	102.93	200.23	1,045.13

Particulars	Opening Balance as on 01.04.2018	Additions	Utilization	Reversals	Closing Balance as on 31.03.2019
Excise	0.59	-	-	-	0.59
Sales Tax/ Octroi/ Entry Tax	382.04	62.82	3.53	3.29	438.04
Service Tax	12.59	1.40	-	0.49	13.50
Others	601.71	117.82	9.97	137.62	571.94
Total	996.93	182.04	13.50	141.40	1,024.07

Note: The above provisions are made based on estimates and expected timing of outflows is not ascertainable at this stage.

54. (a) Inter-Oil Company transactions are reconciled on a continuous basis. However, year end balances are subject to confirmation/ reconciliation which is not likely to have a material impact.
- (b) Customer's accounts are reconciled on an ongoing basis and such reconciliation is not likely to have a material impact on the outstanding or classification of the accounts.
55. Considering the Government policies and modalities of compensating the oil marketing companies towards under-recoveries, future cash flows have been worked out based on the desired margins for deciding on impairment of related Cash Generating Units. Since there is no indication of impairment of assets as at Balance Sheet date as per the assessment carried out, no impairment has been considered. In view of assumptions being technical, peculiar to the industry and Government policy, the auditors have relied on the same.
56. The Corporation has an equity investment of ` 395.16 Crore in its 100% subsidiary, HPCL Biofuels Ltd. (HBL). The net worth of HPCL Biofuels Ltd. (HBL) has completely eroded during the current Financial year. During the financial year, an incremental provision for impairment in the value of investment of ` 196.16 Crore (2018-19: ` 38 Crore) is made. The total amount of impairment thus made towards the carrying value of the investment stands at ` 395.16 Crore (31.03.2019: ` 199 Crore). The Corporation has also made a provision for loss allowance of ` 127.00 Crore (2018-19: NIL) towards the loans given to HBL. The said impairment/ Loss allowance has been carried out in line with the requirement of Ind AS 36/109 and is based on the estimated future cash flow projections from continuing use of its Property, Plant and Equipment in the entity. The Corporation has also assessed the reasonableness of the assumptions used for such cash flow projections. On a prudent basis, these assumptions do not include the intended Capital Expenditure during the immediate future years and the consequential benefits which are likely to arise from such capital expenditure. In the opinion of the management, the current level of impairment is appropriate considering the intricacies involved in the Sugar Industry. Though the Corporation has provided for in entirety towards impairment, by following a conservative principle, the management would continue to monitor the investments in future.

- 57.** The Corporation has an equity investment of ₹ 248.07 Crore in its 100% subsidiary, Prize Petroleum Company Limited. During the financial year, an incremental provision for impairment in the value of investment of ₹ 33.57 Crore (2018-19: NIL) is made. The total amount of impairment thus made towards the carrying value of the investment stands at ₹ 162.98 Crore (31.03.2019: ₹ 129.41 Crore). The said impairment has been carried out in line with the requirement of Ind AS 36 and is based on the estimated future cash flow projections from continuing use of its Property, Plant and Equipment in the entity. The Corporation has also assessed the reasonableness of the assumptions used for such cash flow projections. On a prudent basis, these assumptions do not include the intended Capital Expenditure during the immediate future years and the consequential benefits which are likely to arise from such capital expenditure. In the opinion of the management, the current level of impairment is appropriate.
- 58.** The Corporation's 100% step-down subsidiary, Prize Petroleum International Pte Ltd. (a wholly owned subsidiary of Prize Petroleum Company Ltd.), incorporated in Singapore had taken a bank loan of \$86m during the financial year 2016-17. The step-down subsidiary is engaged in the business of exploration & production of hydrocarbons. The said bank loan is backed by a Corporate Guarantee from the ultimate holding company, Hindustan Petroleum Corporation Ltd. The carrying value of the Corporate Guarantee has been re-measured in accordance with Ind AS 109 and accordingly a loss allowance of ₹ 165 Crore (2018-19: ₹ 15 Crore) has been made during the year (under 'Sundry Expenses and Charges'), arising primarily on account of decline in crude oil prices and depreciation of Indian Rupee from previous year. The total amount of loss allowance thus made towards the carrying value of the Corporate Guarantee stands at ₹ 318 Crore (31.03.2019: ₹ 153 Crore).
- 59.** The loans disbursed to Consumers under Pradhan Mantri Ujjwala Yojna (PMUY), since inception till date is ₹ 2,963.75 Crore (31.03.19: ₹ 2,589.70 Crore) and of this, the amount outstanding at period end is ₹ 1,966.21 Crore (31.03.2019: ₹ 1,937.42 Crore). The loan gets repaid out of the subsidy amount accruing to the consumer from the subsequent refill of cylinders. The overall consumer base is 2.15 Crore (31.03.2019: 1.91 Crore) and the consumption pattern of LPG is still evolving. In the backdrop of available data on consumption pattern and effort of Management to encourage usage of LPG, the population of those consumers enrolled into the scheme as of 31.03.2019 & who haven't taken refills during 2019-20 have been segregated into various age buckets, basis their consumption till date and a probability (between 100% to 50%) is assigned under each age bucket towards potential lack of usage of LPG and consequential default of loan. Accordingly, provision of ₹ 198.70 Crore towards impairment in respect of loans outstanding as on 31.03.2019 has been estimated. With regard to the population of fresh connections issued during 2019-20, even in the absence of data points on consumption pattern, a default in loan is estimated at ₹ 28.70 Crore, in the same ratio as estimated in case of loans disbursed till 31.03.2019. Computed in this manner an aggregate additional net provision of ₹ 131.69 Crore (2018-19: ₹ 95.71 Crore) has been recognized, taking the cumulative provision since inception to ₹ 227.40 Crore (31.03.2019: ₹ 95.71 Crore). The expected credit loss estimate is reasonable.
- 60.** The Corporation implements various Government of India schemes such as PMUY, Direct benefit Transfer scheme wherein the amount is either received in advance or subsequently reimbursed from Central Government. At period end, there are amounts pending to be reimbursed, due, on an average, anywhere between 6 months to 3 years, amounting to ₹ 2,518.00 Crore (31.03.2019: ₹ 2,781.00 Crore). These being due from Government, no provision has been considered necessary.
- 61.** Consequent to establishing the disposal procedures of certain catalysts having precious metals, such catalysts that had earlier been charged off to Statement of Profit and Loss on consumption, are now recognized in Balance sheet, basis original cost of precious metals or Net realizable value whichever is less, having an impact of ₹ 11.31 Crore (2018-19: NIL) in the Financial Statement.

- 62.** The COVID-19 pandemic is globally inflicting high economic and human costs causing slowdown of economic activity. Specific to the Corporation, it did not have any significant impact on the Sales and Operations of the Company for the financial year 2019-20, though it impacted the profitability to a large extent, consequent upon a part of inventory holding on reporting date that needed to have been valued at net realizable value at which the same is either sold or is expected to be sold, thereby even lower than cost. Being essential commodity, there have been no major disruption in our supply chain during the lockdown period of last few days of March 2020. Moving into financial year 2020-21, the sourcing of Crude Oil imports do not have any major disruption neither there is suspension or closure of Refining Operations though the situation called for regulated production. The finished product inventory are managed and the market requirements of the products are met. Thus, by and large, supply side disruptions are minimal. Whereas, on demand side, there have been slow down in financial year 2020-21, especially in April & May 2020. The impact assessment of pandemic is a continuing process given the uncertainties associated with its nature and duration. In the assessment of management, the disruption on account of COVID-19 could have near term impact, the situation would demand constant management attention and with the phased opening up of various sectors of economy, impact of Government economic initiatives etc. the operations could gradually move back towards normalcy. Thus the Corporation, using the principles of prudence in applying judgements and estimates, expects no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets, investments, loans, trade receivable etc. On the Capex front, the Corporation expects to go ahead with the same with possible time extension and cost escalations in few cases. The Corporation has adequate fund based limits with consortium as well as non-consortium banks for meeting its working capital requirements. There are adequate domestic resources that could be readily tapped for raising substantial fund for meeting any working capital needs and therefore there are no liquidity concerns.

With due consideration to the requirements of the Accounting Standards, the Corporation has determined the write down of inventories due to drastic fall in oil prices accompanied with reduced movement in inventory and the same has been disclosed as Exceptional Items in the Financial Statement having an impact of ` 1,002.93 Crore (Net of tax: ` 750.51 Crore) for the year ended Mar 2020 (F.Y. 2018-19: Nil).

	(` / Crore)	
	2019-20	2018-19
63. Expenditure incurred on Research and Development		
- Capital	127.27	124.48
- Revenue	130.65	129.37
64. Interest on borrowings capitalized (weighted average cost of borrowing rate used for capitalization of general borrowing is 5.96% (2018-19: 6.95%).	760.16	233.51
65. Exchange Differences adjusted in the carrying amount of Assets during the accounting period.	206.79	224.22

- 66.** There are no reportable segments other than downstream petroleum, as per Ind AS - 108 on Segment Reporting.

67. Threshold limits adopted in respect of financial statements is given below:

Threshold item	Unit of Measurement	Threshold Limit
Capitalization of spare parts meeting the definition of property plant and equipment.	` Lakhs	10.00
Deprecation at 100% in the year of acquisition except LPG cylinders and pressure regulators.	`	5,000.00
Income/ expenditure pertaining to prior year (s)	` Crore	175.00 (2018-19: 75.00)
Prepaid expenses	` Lakhs	5.00
Disclosure of contingent liabilities	` Lakhs	5.00
Disclosure of capital commitments	` Lakhs	5.00 (2018-19: 1.00)

68. Employee benefit obligations:

A. Provident Fund:

The long term employee benefit of Provident Fund is administered through a separate Trust, established for this purpose in accordance with The Employee Provident Fund and Miscellaneous Provisions Act, 1952. The Corporation's contribution to the Provident Fund is remitted to this trust based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. During the year, the Corporation has recognized ` 146.30 Crore (2018-19: ` 148.44 Crore) as Employer's contribution to Provident Fund in the Statement of Profit and Loss. Under the Statute, the shortfall, if any, in the interest obligation, in comparison to minimum rate of return, declared by Government of India will have to be made good by the Employer and therefore, for the financial year 2019-20, an amount of ` 10.04 Crore (2018-19: NIL) has been provided and charged to Statement of Profit and Loss. The shortfall has arisen primarily due to default over interest obligations on Non-convertible Debentures of certain Companies wherein the Trust has made its investments at a time when these Companies were having highest credit rating. In anticipation of probable principal default as well in these NCDs amounting to ` 243 Crore, basis best available estimate, the Provident Fund Trust has marked down the investments by 70% in its Books to reflect the true & fair valuation. Correspondingly, considering the Employer's obligation to make good the loss in value of these investments under the Provident Fund regulations, the Corporation determined its probable liability in the future amounting to ` 170.10 (2018-19: NIL), which has been provided during the year and charged to Statement of Profit & Loss.

The present value of benefit obligation at period end is ` 4,372.13 Crore (31.03.2019: ` 4,082.85 Crore). The fair value of the assets of Provident Fund Trust as of Balance Sheet date is greater than the present value of benefit obligation.

B. Superannuation Fund

The Corporation has Superannuation - Defined Contribution Scheme (DCS) maintained by 'Superannuation Benefit Fund Scheme (SBFS) Trust' wherein Employer makes a monthly contribution of a certain percentage of 'Basic Salary & Dearness Allowance(DA)', out of 30%, earmarked for various Superannuation benefits. This is in accordance with Department of Public Enterprises (DPE) guidelines. These contributions are credited to individual Employee's Account maintained either with Life Insurance Corporation of India (LIC) or an optional National Pension Scheme (NPS) Account. For the financial year 2019-20, the Corporation has made an overall contribution of ` 162.89 Crore (2018 - 19: ` 181.07 Crore) towards Superannuation - DCS [including ` 50.76 Crore (2018-19: ` 20.96 Crore) to NPS] by charging it to the statement of Profit and Loss. Further, for the financial year 2019-20, Corporation has made a provision of ` 52.15 Crore (2018-19: ` NIL) by charging to Statement of Profit & Loss towards increase in liabilities in case of Superannuation - Defined Benefit Scheme (DBS) determined based on actuarial valuation.

C. The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ / Crore)

Sr. No.	Particulars	Gratuity	PPFMS	Pension	Ex-Gratia	Resettlement Allowance
1.	Present value of projected benefit obligation					
	Present value of Benefit Obligation at the beginning of the period	825.66	773.83	21.32	24.31	11.51
	Interest Cost	848.67	712.05	41.11	27.31	11.75
		64.30	60.20	1.59	1.82	0.85
		65.23	60.20	3.33	2.10	0.93
	Current Service Cost	13.36	98.79	-	-	2.65
		14.57	98.95	-	-	2.64
	Past Service Cost	-	-	-	-	-
		-	-	-	-	-
	Benefit paid	(106.41)	(52.33)	(3.45)	(4.55)	(3.42)
		(70.70)	(45.58)	(3.52)	(5.25)	(2.48)
	Actuarial (gains)/ losses on net (gains) - due to change in financial assumptions	42.90	106.82	0.45	0.38	0.65
		5.47	(1.54)	0.07	0.15	0.09
	Actuarial (gains)/ losses on net (gains) - due to experience	26.46	(39.37)	(1.12)	(0.09)	(0.34)
		(34.36)	1.49	(5.30)	0.01	(1.42)
	Present value of Benefit Obligation at the end of the period	809.27	907.34	18.78	21.32	11.67
		825.66	773.83	21.32	24.31	11.51
2.	Changes in fair value of plan assets					
	Fair value of Plan Assets at the beginning of the period	818.26	755.30	NA	NA	NA
		506.02	723.82	NA	NA	NA
	Interest Income	63.53	59.77	NA	NA	NA
		64.03	54.00	NA	NA	NA
	Contributions by the employer	10.40	5.53	NA	NA	NA
		342.03	8.82	NA	NA	NA
	Contributions by the employee	-	0.81	NA	NA	NA
		-	2.84	NA	NA	NA
	Benefit paid	(106.41)	-	NA	NA	NA
		(70.70)	-	NA	NA	NA
	Return on plan assets, excluding interest income	(2.36)	(85.24)	NA	NA	NA
		(23.77)	(1.58)	NA	NA	NA
	Fair value of Plan Assets at the end of the period	753.39	749.17	NA	NA	NA
		818.26	755.30	NA	NA	NA
3.	Included in Statement of Profit and Loss					
	Current Service Cost	13.36	98.79	-	-	2.65
		14.57	98.95	-	-	2.64
	Past Service Cost	-	-	-	-	-
		-	-	-	-	-
	Net interest cost	0.80	0.43	1.59	1.12	0.85
		1.13	0.60	3.11	2.10	0.93
	Contributions by the employee	-	(0.81)	-	-	-
		-	(2.84)	-	-	-
	Total amount recognised in Statement of Profit and Loss	14.15	51.41	1.59	1.12	3.54
		15.50	54.77	3.11	2.10	3.57
4.	Remeasurements					
	Return on plan assets, excluding interest income	2.36	85.24	-	-	-
		23.77	1.58	-	-	-
	(Gain)/ provision change in actuarial assumptions	-	-	-	-	-
		-	-	-	-	-
	(Gain)/ provision change in interest assumptions	42.90	106.82	0.45	0.38	0.65
		5.47	(1.54)	0.07	0.15	0.09
	Experience (gains)/ losses	26.46	(39.37)	(1.12)	(0.09)	(0.34)
		(34.36)	1.49	(5.30)	0.01	(1.42)
	Change in asset ceiling, excluding amounts included in interest expense	-	-	-	-	-
		-	-	-	-	-
	Total amount recognised in other comprehensive income	7.72	152.63	(0.67)	0.67	0.04
		(512)	1.73	(5.23)	0.16	(1.35)

D. Amount recognised in the Balance Sheet

(₹ / Crore)

	Gratuity	PRMBS	Pension	Ex-Gratia	Resettlement Allowance
Present value of benefit obligation as on 31.03.2020	869.27	907.57	16.76	21.92	11.67
Fair value of plan assets as on 31.03.2020	783.39	749.17	-	-	-
Net Liability/ (Asset) recognised in Balance Sheet	85.88	158.37	18.78	21.92	11.67

	Gratuity	PRMBS	Pension	Ex-Gratia	Resettlement Allowance
Present value of benefit obligation as on 31.03.2019	828.90	773.83	21.32	24.31	11.31
Fair value of plan assets as on 31.03.2019	818.26	768.30	-	-	-
Net Liability/ (Asset) recognised in Balance Sheet	10.40	5.53	21.32	24.31	11.51

E. Plan assets

(₹ / Crore)

	31.03.2020		31.03.2019	
	Gratuity	PRMBS	Gratuity	PRMBS
Plan assets comprise the following:				
Insurance fund	783.39	749.17	818.26	768.30
	783.39	749.17	818.26	768.30

F. Significant estimates (actuarial assumptions and sensitivity):

(i) The significant actuarial assumptions were as follows:

31.03.2020	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	6.87%	6.81%	NA	NA	NA
Rate of Discounting	6.87%	6.81%	6.82%	6.59%	6.87%
Rate of Salary Increase	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Actuary has considered Indian Assured Lives Mortality Table 2006-08, being the latest unisex table issued by Institute of Actuaries of India				
Mortality Rate After Employment					

31.03.2019	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	7.76%	7.78%	NA	NA	NA
Rate of Discounting	7.76%	7.78%	7.47%	7.48%	7.76%
Rate of Salary Increase	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Actuary has considered Indian Assured Lives Mortality Table 2006-08, being the latest unisex table issued by Institute of Actuaries of India				
Mortality Rate After Employment					

(ii) Sensitivity analysis

(₹ / Crore)

31.03.2020	Gratuity	PRMB5	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of +1% Change in Rate of Discounting	(47.85)	(39.81)	(0.63)	(0.65)	(0.70)
Delta effect of -1% Change in Rate of Discounting	55.06	139.91	0.75	0.79	0.88
Delta effect of +1% Change in Future Benefit cost inflation	-	140.35	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(140.68)	-	-	-
Delta effect of +1% Change in Rate of Salary Increase	12.88	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(15.16)	-	-	-	-
Delta effect of +1% Change in Rate of Employee Turnover	14.11	-	-	-	(0.63)
Delta effect of -1% Change in Rate of Employee Turnover	(15.93)	-	-	-	0.97

31.03.2019	Gratuity	PRMB5	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of +1% Change in Rate of Discounting	(43.14)	(87.09)	(0.77)	(0.72)	(0.70)
Delta effect of -1% Change in Rate of Discounting	49.03	109.32	0.84	0.79	0.81
Delta effect of +1% Change in Future Benefit cost inflation	-	110.06	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(98.02)	-	-	-
Delta effect of +1% Change in Rate of Salary Increase	13.54	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(15.13)	-	-	-	-
Delta effect of +1% Change in Rate of Employee Turnover	15.97	-	-	-	(0.78)
Delta effect of -1% Change in Rate of Employee Turnover	(16.86)	-	-	-	0.90

G. The expected maturity analysis of undiscounted benefits is as follows:

(₹ / Crore)

	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year & above
31.03.2020				
Gratuity	120.48	75.22	326.27	1,002.22
PRMB5	42.00	45.86	163.86	270.71
Pension	2.73	2.70	8.10	12.56
Ex - Gratia	4.35	3.59	11.61	17.76
Resettlement Allowance	1.31	0.72	4.16	16.29
Total	170.63	128.58	516.02	1,325.64

	(/ Crore)			
	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year & above
31.03.2019				
Gratuity	111.22	74.30	324.92	1008.81
PRMBS	35.96	42.73	151.76	283.46
Pension	3.18	3.15	9.20	14.33
Ex-Gratia	4.73	4.37	12.63	19.70
Resettlement Allowance	1.24	0.72	4.29	17.13
Total	159.03	124.98	502.36	1,323.13

H. Notes:

- I. **Gratuity:** Each employee rendering continuous service of 5 Years or more is entitled to receive gratuity amount equal to 15/26 of the eligible salary for every completed years of service subject to maximum of ` 0.20 Crore at the time of separation from the Corporation. Besides the ceiling of gratuity increases by 25% whenever IDA rises by 50%. The long term employee benefit of Gratuity is administered through a Trust, established under The Payment of Gratuity Act, 1972. The Board of Trustees comprises of representatives from the Employer who are also plan participants in accordance with the plans regulation. The liability towards gratuity is funded with Life Insurance Corporation of India (LIC). Pending declaration of interest rate by LIC for the financial year, it is estimated at 8% (2018-19: 8.15%) and accounted.
- II. **Pension:** The employees covered by the Pension Plan of the Corporation are entitled to receive monthly pension for life. However, none of the current serving employees are covered under Pension Plan of the Corporation.
- III. **Post Retirement Medical Benefit (PRMBS):** Post Retirement Benefit medical scheme provides medical benefit to retired employees and eligible dependent family members. This long term employee benefit is administered through a Trust. The liability towards Post-Retirement Medical Benefit for employees is ascertained, yearly, based on the actuarial valuation and funded to the Trust. During the year, there has been default over interest obligations (& default in principal obligations in a case) on Non-convertible Debentures of certain Companies amounting to ` 99.50 Crore, wherein the Trust has made its investments at a time when these Companies were having highest credit rating. Basis best available estimate, the Trust has marked down these investments by 70% in its Books to reflect the true & fair valuation. This diminution in these Trust Investments amounting to ` 69.65 Crore [2018-19: Nil], has been duly considered in the Actuarial Valuation while ascertaining the liability for the Corporation. The Corporation has provided for the above liability during the year and charged to Statement of Profit & Loss in compliance with Ind AS 19.
- IV. **Ex-gratia:** The ex-employees of Corporation are covered under the Scheme, entitling to get ex-gratia, determined based on their salary grade at the time of their superannuation. The benefit is paid to eligible employees till their survival, and thereafter till the survival of their spouse. However, none of the current serving employees are covered under this Plan.
- V. **Resettlement Allowance:** Upon superannuation from the services of the Corporation, there are employees who permanently settle down at a place other than the location of the last posting. Such employees are provided with resettlement allowance as per policy of the Corporation.
- VI. **Interest rate on funds retained in LIC:** The employees of the Corporation are entitled to certain leave as per policy. The liability of the Corporation is determined annually through actuarial valuation and funded with Life Insurance Corporation of India (LIC). Pending declaration of interest rate by LIC for the financial year, it is estimated at 8% (2018-19: 8.15%) and accounted.
- VII. **Others:** The expected return on plan assets is based on market expectation over the entire life of the related obligation. The actuarial assumption with regard to future salary escalation takes into consideration, the factors such as inflation, seniority, promotion, demand & supply in the employment market.

VIII. Figures in italics represent last year figures

69. Previous periods figures are regrouped/ reclassified wherever necessary.

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

The preparation of financial statements of Hindustan Petroleum Corporation Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 16 June 2020.

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

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

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

Sd/-

Tanuja Mittal

Principal Director of Commercial Audit, Mumbai

Place: Mumbai

Date: 19 August 2020



Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

Corporate Overview

Hindustan Petroleum Corporation Limited referred to as “HPCL” or “the Corporation” was incorporated on 5th July, 1952. HPCL is a Government of India Enterprise listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, with ONGC holding 51.11% of Equity Shares w.e.f. 31st January, 2018. The Corporation and its Subsidiaries are together referred to as “Group” which is mainly engaged in the business of refining of crude oil and marketing of petroleum products, production of hydrocarbons as well as providing services for management of E&P Blocks.

Authorization of Consolidated Financial Statements

The Consolidated Financial Statements were authorized for issue in accordance with a resolution of the directors on 16th June, 2020.

1. Basis of preparation:

- 1.1. The Consolidated Financial Statements (CFS) relates to parent company, Hindustan Petroleum Corporation Limited (HPCL), its subsidiary companies and its interest in Joint Ventures and Associates.

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant Provisions of Companies Act, 2013 and Rules thereunder.

The Consolidated Financial Statements have been prepared under historical cost convention basis except for certain assets and liabilities measured at fair value.

The Group's presentation currency is INR, which is also the functional currency of the Corporation. All values are rounded to the nearest Crore (₹ Crore), except where otherwise indicated.

Use of Judgement and Estimates

The preparation of the Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated Financial Statements are as below:

- Assessment of functional currency;
- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligation, key actuarial assumptions;
- Provisions and Contingencies; and
- Evaluation of recoverability of deferred tax assets.

Revisions to accounting estimates are recognized prospectively in the Consolidated Financial Statements in the period in which the estimates are revised and in any future periods affected.

1.2. Principles of Consolidation

The Consolidated Financial Statements are prepared, as far as possible, using uniform significant accounting policies for the like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as HPCL's separate financial statements.

The Financial Statements of HPCL and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, the intra group balance and intra group transactions and unrealised profits or losses resulting from intra group transactions are eliminated.

The financial statements of Joint Ventures and Associates have been consolidated using equity method whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income after eliminating unrealized profits or losses.

Figures pertaining to the Subsidiary Companies/ Joint Ventures/ Associates have been reclassified, wherever necessary, to conform to the parent company, HPCL's Financial Statements.

1.3. Companies included in Consolidation

The Consolidated Financial Statements comprise the Audited Financial Statements (except as mentioned otherwise) of HPCL, its Subsidiaries, Joint ventures and Associates for the year ended 31st March 2020, which are as under;

Name of the Company	Country of Incorporation	HPCL's Ownership Interest	
		31.03.2020	31.03.2019
(i) Subsidiaries (refer note no. 1.3.1)			
HPCL Biofuels Ltd. (HBL)	India	100.00%	100.00%
Prize Petroleum Company Ltd. (PPCL) (refer note no 1.3.2)	India	100.00%	100.00%
HPCL Middle East FZCO (HMEFZCO)	Dubai	100.00%	100.00%
(ii) Joint Ventures			
HPCL Rajasthan Refinery Ltd. (HRRL)	India	74.00%	74.00%
HPCL - Mittal Energy Ltd. (HMEL) (refer note no 1.3.2)	India	48.99%	48.99%
Hindustan Colas Pvt. Ltd. (HINCOL)	India	50.00%	50.00%
South Asia LPG Co. Pvt. Ltd. (SALPG)	India	50.00%	50.00%
Bhagyanagar Gas Ltd. (BGL) (refer note no. 1.3.4)	India	24.99%	24.99%
Godavari Gas Pvt. Ltd. (GGPL) (refer note no 1.3.6)	India	26.00%	26.00%
Petronet India Ltd. (PIL) (refer note no 1.3.8)	India	16.00%	16.00%
Petronet MHB Ltd. (PMHBL) (refer note no. 1.3.7)	India	50.00%	32.72%
Aavantika Gas Ltd. (AGL)	India	49.99%	49.99%
HPCL Shapoorji Energy Pvt. Ltd. (HSEL)	India	50.00%	50.00%
Mumbai Aviation Fuel Farm Facility Pvt. Ltd. (MAFFFL)	India	25.00%	25.00%
Ratanagiri Refinery & Petrochemicals Ltd.	India	25.00%	25.00%
HPOIL Gas Pvt. Ltd. (HOGPL)	India	50.00%	50.00%
IHB Pvt. Ltd. (IHBPL) (refer note no. 1.3.3)	India	25.00%	-
(iii) Associates			
Mangalore Refinery and Petrochemicals Ltd. (MRPL) (refer note no 1.3.2)	India	16.96%	16.96%
GSPL India Gasnet Ltd. (GIGL)	India	11.00%	11.00%
GSPL India Transco Ltd. (GITL)	India	11.00%	11.00%



- 1.3.1. The company has three subsidiaries: Prize Petroleum Company Ltd. is engaged in the business of exploration and production of hydrocarbons as well as providing services for management of E&P Blocks. HPCL Biofuels Ltd. is engaged in the business of manufacturing sugar and ethanol from crushing of sugarcane and generation of power from the bagasse generated in the process. HPCL Middle East FZCO was incorporated as a Free Zone Company under Dubai Airport Free Zone for Trading in Lubricants & Grease, Petrochemicals and Refined Oil Products in Middle East and Africa.
- 1.3.2. Consolidated Financial Statements have been considered for consolidation of the following:
- a) Mangalore Refinery and Petrochemical Limited has one subsidiary namely ONGC Mangalore Petrochemicals limited (MRPL is holding 51%) and one joint venture namely Shell MRPL Aviation Fuels and Services Limited (MRPL is holding 50%).
 - b) Prize Petroleum Company Limited has wholly owned subsidiary namely Prize Petroleum International PTE Limited.
 - c) HPCL - Mittal Energy Limited has a 100% subsidiary namely HPCL - Mittal Pipelines Limited.
- 1.3.3. Companies incorporated/ dissolved during the year:
- IHB Pvt. Ltd., was incorporated on 09th July 2019 having shareholding in the ratio 50 : 25 : 25 between with Indian Oil Corporation Limited, Hindustan Petroleum Corporation Ltd. and Bharat Petroleum Corporation Limited respectively to set-up LPG pipeline between Kandla-Gorakhpur.
- 1.3.4. As of 31st March 2014, paid up equity capital of BGL was ` 5 lacs, in which HPCL and GAIL were holding 24.99% each. Balance 50.02% of shares were held by Kakinada Seaports Ltd. (KSPL) on warehousing basis. In addition, each one of HPCL and GAIL had paid ` 22.49 Crore as Advance against Equity/ Share application money (totalling to ` 44.98 Crore) in earlier years. On 20th August 2014, BGL allotted 2,24,87,500 shares on preferential basis to each of HPCL and GAIL towards the money paid earlier. Meanwhile there are certain issues pending adjudication with another shareholder. Accordingly, keeping in view financial prudence, HPCL's share has been considered at 24.99% (considered as 24.99% in F.Y. 2018-19).
- 1.3.5. Ujjwala Plus Foundation, a joint venture of Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Ltd. (HPCL) with fund contribution in the ratio 50% : 25% : 25%, respectively was incorporated on 21st July, 2017 as a not-for-profit Private Company Limited by Guarantee (without Share Capital) under Section 8 of the Companies Act, 2013. Ujjwala Plus Foundation has not been considered for consolidation being a not-for-profit company.
- 1.3.6. Unaudited Financial Statements have been considered.
- 1.3.7. The Corporation has entered into a share purchase agreement dated February 27, 2020, with consortium of 8 nationalised banks, who hold equity shares in Petronet MHB Ltd., for acquisition of 9.48 Crore equity shares aggregating to 17.28 per cent of the paid-up equity share capital at a price of ` 19.55 per share. Post-acquisition the shareholding of HPCL in Petronet MHB is about 49.996 per cent. The consolidated profit of the Group do not include incremental share of profit earned consequent upon the acquisition of additional shares till the date of acquisition, i.e. till February 28, 2020.
- 1.3.8. Petronet India Ltd. in which HPCL holds 16% stake is in the process of winding up w.e.f. 30th August 2018. In the absence of financial statements of the Company, PIL has not been considered for Group consolidation for FY 2019-20.

2. Significant Accounting Policies

2.1. Property, Plant and Equipment

- 2.1.1. Freehold lands are carried at cost. All other items of Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- 2.1.2. The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes); any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by management; initial estimated present value of any of any contractual decommissioning obligation; and borrowing cost for qualifying assets (i.e., assets that necessarily take a substantial period of time to get ready for their intended use).
- 2.1.3. Technical know-how/ licence fee relating to plants/ facilities are capitalized as part of cost of the underlying asset.
- 2.1.4. Expenditure during construction period: Direct expenses incurred during construction period on capital projects are capitalised.
- 2.1.5. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Corporation.
- 2.1.6. Spare parts which are meeting the requirement of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit and Loss on consumption.
- 2.1.7. An item of Property, Plant and Equipment and any significant part initially recognised separately as part of Property, Plant and Equipment is derecognised upon disposal; or when no future economic benefits are expected from its use or disposal; or when the Property, Plant Equipment has been re-classified as ready for disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised.
- 2.1.8. The residual values and useful lives of Property, Plant and Equipment are reviewed during each financial year and changes are accounted for as change in accounting estimates on a prospective basis.
- 2.1.9. The Corporation has chosen the carrying value of Property, Plant and Equipment existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April, 2015 as deemed cost.

2.2. Depreciation/ amortization

- 2.2.1. Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Corporation has assessed the estimated useful lives of its Property, Plant & Equipment and has adopted the useful lives and residual value as prescribed in Schedule II except for the following which are based on internal technical assessment:

Useful Life:

Plant and Machinery relating to Retail Outlets (other than Storage tanks and related equipment)	15 years
Cavern Structure	60 years
LPG cylinders & regulators (excluding cylinders held for sale)	15 years

Residual Value:

In cases of LPG Cylinders & pressure regulators and Catalysts having Precious Metals, with due consideration to expected realization, a higher residual value is considered.

- 2.2.2. The Corporation depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components is assessed by considering historical experience, internal technical inputs and any other relevant factor.
- 2.2.3. Items of Property, Plant and Equipment costing not more than the threshold limit are depreciated at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators (excluding cylinders held for sale) which are depreciated over a useful life of 15 years based on the technical assessment.
- 2.2.4. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.
- 2.2.5. Depreciation is charged on additions/ deletions on pro-rata monthly basis including the month of addition/ deletion.

2.3. Intangible assets

- 2.3.1. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding development costs, are not capitalised and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Development costs are capitalised if technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Corporation has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.
- 2.3.2. Assets where entire output generated is committed to be sold to a public sector entity (including Government body) for almost entire useful life of the asset are classified as intangible assets as per the requirements of Ind AS and are amortised (after retaining the residual value, if applicable) over their useful life.
- 2.3.3. In cases where, the Corporation has constructed assets and the Corporation has only a preferential right to use, these assets are classified as intangible assets and are amortised (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.
- 2.3.4. The useful lives of intangible assets are assessed as either finite or indefinite.
- 2.3.5. Intangible assets with finite lives are amortised on straight line basis over their useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year end. The amortisation expense on intangible assets with finite lives and impairment loss is recognised in the statement of Profit & Loss.
- 2.3.6. Intangible assets with indefinite useful lives, such as 'right of way' which is perpetual and absolute in nature, are not amortised, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognised in the Statement of Profit and Loss.
- 2.3.7. Technical know-how/ license fee relating to production process and process design are recognized as Intangible Assets.

2.3.8. Estimated lives of intangible assets (acquired) are as follows:

- Software: 2 to 4 years
- Technical know-how/ license fees: 2 to 10 years
- Right to use – wind mill site: 22 years

2.3.9. The Corporation has chosen the carrying value of Intangible Assets existing as per previous GAAP as on date of transition to Ind AS i.e., 1st April 2015 as deemed cost.

2.4. Borrowing Cost

2.4.1. Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange rate variation to the extent regarded as an adjustment to interest cost.

2.4.2. Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset till the month in which the asset is ready for intended use. All other borrowing costs are expensed in the period in which they are incurred.

2.5. Non-current assets held for sale

2.5.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met, only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

2.5.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

2.5.3. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortized.

2.6. Leases

Wherever a Contract conveys the right to control the Use of an identified Asset by either of the PARTIES for a period of time and in exchange for consideration, there arises a Lease Contract. At inception of every Contract, the Corporation examines the existence to the lease elements in a Contract and thereafter carries out appropriate accounting either as Lessor or Lessee.

2.6.1. Lessee:

At the commencement of the lease, the Corporation recognises right-of-use asset and lease liability, with an exception of short-term leases or lease of low-value underlying assets. The right-of-use asset is measured at cost, made up of the initial measurement of the lease liability, initial direct costs, an estimate of dismantling cost including removal of the asset at the end of the lease and any lease payments on or before commencement (net of any incentives received) of the lease.

The lease liability is measured at Present Value of the lease payments to be made during the course of the lease by using incremental borrowing rate that prevail at the beginning of each quarterly period for a similar tenure (such as AAA Corporate Bond rates for varying tenures of 5, 10 & 15 years) for all of the contracts executed in that period. The variable lease payments, which do not depend on an index or a rate, are excluded from the measurement of lease liability.

The Corporation has elected not to separate non-lease components in a contract and account as one unified lease contract covering all underlying assets by using the practical expedient prescribed in the Standard.

On re-measurement of lease liability, the right-of-use asset is suitably readjusted unless such readjustment lead to a restatement of carrying value below zero, in which case, the resultant amount is directly routed through Statement of Profit & Loss Account.

2.6.2 Lessor:

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. In all other cases, it is treated as operating lease.

2.7. Impairment of Non-Financial Assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment.

An impairment loss is recognised whenever the carrying amount of assets of cash generating unit (CGU) exceeds their recoverable amount.

2.8. Inventories

2.8.1. Valuation of inventories (including in-transit) of different categories is as under: -

- a) Crude oil is valued at cost on First in First Out (FIFO) basis or at net realisable value, whichever is lower. Crude oil is not written down below cost except in cases where their prices have declined subsequently and it is estimated that the cost of the finished goods will exceed their net realisable value.
- b) Raw materials for lubricants are valued at weighted average cost or at net realisable value, whichever is lower.
- c) Stock-in process is valued at raw material cost plus cost of conversion or at net realisable value, whichever is lower.
- d) Finished products other than Lubricants are valued at cost (on FIFO basis month-wise) or at net realisable value, whichever is lower.
- e) Finished products (lubricants) are valued at weighted average cost or at net realisable value, whichever is lower.
- f) Empty packages are valued at weighted average cost.
- g) Stores and spares which do not meet the recognition criteria under Property, Plant and Equipment are valued at weighted average cost. Surplus, obsolete and slow moving stores and spares, if any, are valued at cost or net realizable value whichever is lower. Surplus items, when transferred from completed projects are valued at cost/ estimated value, pending periodic assessment/ ascertainment of condition. Stores and Spares in-transit are valued at cost.

2.8.2. Customs duty on Raw materials/ Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee.

2.8.3. Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on applicable duty.

2.8.4. The net realisable value of finished goods and stock in trade are final selling prices for sales to oil marketing companies and depot prices applicable to the locations. For the purpose of stock valuation, the proportion of sales to oil marketing companies and consumer sales are determined on location wise and product wise sales of subsequent period.

2.9. Revenue recognition

2.9.1. Sale of goods

Revenue is recognised when:

- a) the Corporation satisfies a performance obligation by transferring control of a promised goods/ services to a customer;
- b) Transaction price is allocated on each performance obligation and is recognised as and when the particular performance obligation is satisfied either at a point in time or over a period of time;
- c) The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer including excise duties, as applicable and is measured at the fair value of the consideration received or receivable, net of returns, taxes or duties collected on behalf of the government and trade discounts or rebates, as applicable;
- d) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Revenue is allocated between Loyalty Programs and other components of the sale. The amount allocated to the Loyalty Program is deferred, and is recognised as Revenue when the Corporation has fulfilled its obligation to supply the products under the terms of the Program or when it is no longer probable that the points under the Program will be redeemed.

Where the Corporation acts as an agent on behalf of a third party, the associated Revenue is recognised on a net basis.

Claims, including subsidy on Liquefied Petroleum Gas (LPG) and Superior Kerosene Oil (SKO), from Government of India, are booked on in-principle acceptance thereof on the basis of available instructions/ clarifications, subject to final adjustments as stipulated.

2.9.2 Interest income is recognised taking into account the amount outstanding and the applicable effective interest rate.

2.9.3 Dividend is recognised when right to receive the payment is established.

2.10. Accounting/ classification of expenditure and income

2.10.1. Income/ expenditure in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively.

2.10.2. Prepaid expenses upto threshold limit in each case, are charged to revenue as and when incurred.

2.10.3. Insurance claims are accounted on acceptance basis.

2.10.4. All other claims/ entitlements are accounted on the merits of each case.

2.10.5. Raw materials consumed are net of discount towards sharing of under-recoveries.

2.11. Employee benefits

2.11.1. Short-term employee benefit

Short term employee benefits are recognized as an expense at undiscounted amount in the Statement of Profit & Loss of the year in which the related services are rendered by the employees.

2.11.2. Post-employment benefits

Defined Contribution Plans:

Obligations for contributions to defined contribution plans are expensed in the Statement of Profit & Loss of the year in which the related services are rendered by the employees.

Defined Benefit Plans:

Post-employment benefits

Liability towards defined employee benefits (gratuity, pension, post – retirement medical benefits, ex-gratia and resettlement allowance) are determined on actuarial valuation by independent actuaries at the year-end by using Projected Unit Credit method.

Re-measurements of the net defined benefit liability, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income.

Other long-term employee benefits

Liability towards other long term employee benefits (leave encashment, long service awards, provident fund contribution to trust and death benefits) are determined on actuarial valuation by independent actuaries using Projected Unit Credit method.

Re-measurements gains and losses are recognized in the Statement of Profit and Loss in the period in which they arise.

2.11.3. Termination benefits

Expenditure on account of Voluntary Retirement Schemes, are charged to Statement of Profit & Loss, as and when incurred.

2.12. Foreign currency transactions

2.12.1. Monetary items

Transactions in foreign currencies are initially recorded at the respective exchange rates prevailing at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognised in Statement of Profit and Loss either as 'Exchange Rate Variation' or as 'finance costs' (to the extent regarded as an adjustment to borrowing costs), as the case maybe.

In case of long term foreign currency monetary items outstanding as of 31st March 2016, foreign exchange differences arising on settlement or translation of long term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in case of other long term foreign currency monetary items, if any, accumulated in 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the balance period of the asset/ liability.

2.12.2. Non – Monetary items

Non-monetary items, other than those measured at fair value, denominated in foreign currency, are valued at the exchange rate prevailing on the date of transaction.

2.13. Investment in Subsidiary, Associates and Joint Ventures

Investments in equity shares of Subsidiaries, Joint Ventures & Associates are recorded at cost and reviewed for impairment at each reporting date.

The Corporation has chosen the carrying value of the investment in Subsidiaries, Associates and Joint Ventures existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April 2015 as deemed cost.

2.14. Government Grants

2.14.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

2.14.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

2.14.3. When the grant relates to property, plant and equipment, the cost of property, plant and equipment is shown at gross value and grant thereon is treated as liability (deferred income) and are credited to statement of profit and loss on a systematic basis over the useful life of the asset.

2.15. Exploration & production expenditure

“Successful Efforts Method” of accounting is followed for Oil & Gas exploration and production activities as stated below:

2.15.1. Cost of surveys, studies, carrying and retaining undeveloped properties are expensed out in the year of incurrence.

2.15.2. Cost of acquisition, drilling and development are treated as Capital Work-in-Progress when incurred and are capitalised when the well is ready to commence commercial production.

2.15.3. Accumulated costs on exploratory wells in progress are expensed out in the year in which they are determined to be dry.

2.15.4. The proportionate share in the assets, liabilities, income and expenditure of joint operations are accounted as per the participating interest in such joint operations.

2.16. Provisions and contingent liabilities

2.16.1. Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.16.2. If the effect of the time value of money is material, provisions are discounted using an appropriate discount rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

2.16.3. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Corporation, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

2.16.4. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

2.16.5. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit.

2.16.6. Contingent Liabilities are considered only when show-cause notice is converted into demand.

2.17. Fair value measurement

2.17.1. Fair value is the price that would be received/ paid to sell an asset or to transfer a liability, as the case may be, in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Corporation has access at that date. The fair value of a liability also reflects its non-performance risk.

2.17.2. While measuring the fair value of an asset or liability, the Corporation uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

Financial Instruments

2.18. Financial Assets

2.18.1. Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

2.18.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Corporation classifies financial assets (other than equity instruments) as under:

- (a) subsequently measured at amortised cost;
- (b) fair value through other comprehensive income; or
- (c) fair value through profit or loss

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial recognition, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method and such amortization is recognised in the Statement of Profit and Loss.

Debt instruments at Fair value through profit and loss (FVTPL)

Fair value through profit and loss is a residual category for measurement of debt instruments.

After initial measurement, any fair value changes including any interest income, impairment loss and other net gains and losses are recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Corporation decides to classify the same either as at FVOCI or FVTPL. The Corporation makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all fair value changes being recognized in the Statement of Profit and Loss.

2.18.3. Impairment of financial assets

In accordance with Ind-AS 109, the Corporation applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date.

2.19. Financial Liabilities**2.19.1. Initial recognition and measurement**

All financial liabilities (not measured subsequently at fair value through profit or loss) are recognised initially at fair value net of transaction costs that are directly attributable to the respective financial liabilities.

2.19.2. Subsequent measurement

The Corporation classifies all financial liabilities as subsequently measured at amortised cost by using the Effective Interest Rate Method ("EIR") and such amortisation is recognised in the Statement of Profit and Loss.

2.20. Financial guarantees

Financial guarantee contracts are recognised initially at fair value. Subsequently on each reporting date, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

2.21. Derivative financial instruments

The Corporation uses derivative financial instruments, such as forward contracts, interest rate swaps to mitigate its foreign currency risk, interest risk and commodity price risk arising out of highly probable forecast transactions and are presented in Financial Statements, either as Financial Assets or Financial liabilities as the case may be.

2.21.1. Derivatives Contracts designated as hedging instruments:

Wherever Hedge Accounting is undertaken, at the inception of a hedge relationship, the Corporation formally designates and documents a) the hedge relationship to which it wishes to apply hedge

accounting and b) the risk management objective and strategy. In such cases, the derivative financial instruments are recognized at fair value with due assessment to effectiveness of the hedge instrument. By following Cash Flow Hedges, the effective portion of changes in the fair value is recognized in Other Comprehensive Income (OCI) and accumulated under Cash Flow Hedge Reserve within Other Equity whereas the ineffective portion, if any, is recognized immediately in the Statement of Profit and Loss and presented under Other Income or Other Expenses, as the case may be. The effective portion, previously recognized in OCI and accumulated as Cash Flow Hedge Reserve is reclassified to the Statement of Profit and Loss in the subsequent period, during which, the hedged expected future cash flows affect profit or loss and further guided to the same line item to which the underlying is accounted. Further, in case of previously recognized forecasted transaction, upon the knowledge of its non-occurrence, the effective portion of cumulative gain or loss is forthwith recognized by transferring from Cash Flow Hedge Reserve to the Statement of Profit and Loss. If the amount accumulated in Cash Flow Hedge Reserve is a loss and Corporation expects that all or a portion of that loss will not be recovered in one or more future period, the Corporation immediately reclassifies the amount that is not expected to be recovered into profit or loss as a reclassification adjustment. The hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

2.21.2. **Derivatives Contracts not designated as hedging instruments**

The derivative financial instruments are accounted at fair value through Profit or Loss and presented under Other Income or Other Expenses, as the case may be.

2.22. **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.23. **Taxes on Income**

2.23.1. Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

2.23.2. Deferred tax liability/ asset on account of temporary difference is recognised using tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date.

2.23.3. Deferred tax assets are recognised and carried forward for all deductible temporary differences only to the extent that it is probable that taxable profit will be available in future against which the deductible temporary difference can be utilized.

2.23.4. The carrying amount of deferred tax assets/ Liabilities is reviewed at each Balance Sheet date.

2.23.5. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, is considered as an asset when it is probable that the future economic benefits associated with it, will flow to the Corporation.

2.24. **Earnings per share**

2.24.1. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

2.24.2. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

2.25. Cash and Cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.26. Cash Flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated. For the purpose of the Statement of Cash Flows, cash and cash equivalent consist of cash, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Corporation's cash management.

2.27. Business combination

The acquisition method of accounting is used to account for business combination by the Group. In this method, acquiree's identifiable assets, liabilities and contingent liabilities that meet condition for recognition are recognized at their fair values at the acquisition date. Non-controlling interest is measured at proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired. The transaction costs incurred in connection with business combination are recognised in the consolidated statement of profit and loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed off.

3. Property, Plant and Equipments:

The following are the carrying values of Property, Plant & Equipments:

Particulars	Land - Freehold	Right-of-Use Assets*	Buildings	Plant & Equipment	Furniture & Fixtures	Transport Equipment	Office Equipment	Roads and Culverts	Railway Sidings & Rolling Stock	ERP Assets	Total
Gross Block											
As on 01.04.2019	948.26	76.31	6,095.39	37,781.11	230.62	130.41	2,979.55	2,964.26	405.57	609.71	52,249.53
Additions purchased during the year	-	28.14	-	-	-	-	-	-	-	-	28.14
Additions/Reclassifications	05.06	582.52	769.90	5,411.86	42.87	15.55	571.50	7,73.88	65.47	56.18	7,633.87
Indemnity/Reclassifications	0.23	-	15.26	479.30	9.55	1.03	10.33	2.42	0.79	1.37	529.63
As on 31.03.2020	1,043.06	3,503.23	6,788.32	42,714.07	272.94	144.91	3,472.75	3,324.82	470.15	663.92	62,399.17
Depreciation/ Amortisation											
As on 01.04.2019	-	0.45	585.15	7,242.50	79.85	48.08	1,248.75	1,307.36	91.87	475.88	11,080.90
For the year	-	179.11	177.77	2,133.54	26.82	14.78	709.25	561.86	70.08	20.10	2,724.86
Indemnity/Reclassifications	-	-	7.78	437.84	7.01	0.52	15.57	1.37	0.70	0.50	475.28
As on 31.03.2020	-	173.36	755.48	8,938.40	102.68	61.78	1,632.50	1,670.85	121.37	550.18	14,006.60
Net Block as on 01.04.2019	948.26	75.86	5,510.24	30,538.61	159.77	82.33	1,729.80	1,676.90	313.04	133.22	41,168.63
Net Block as on 31.03.2020	1,043.06	3,329.87	6,032.84	33,775.67	170.26	83.13	1,840.25	1,653.97	348.78	113.74	48,391.57

refer note 42

Notes:

- Includes assets costing ` 0.007 Crore/- (31.03.2019: ` 0.007 Crore) of erstwhile Kosan Gas Company that have not been handed over to the Corporation. Though Kosan Gas Company was to give up their claim, in view of the tenancy right sought by third party, the matter is under litigation.
- Includes ` 799.55 Crore (31.03.2019: ` 465.15 Crore) towards Land, Building, Plant & Equipment, Furniture & Fixtures, Transport equipments, Office Equipments, Pipelines, Railway Sidings, etc. representing Company's Share of Assets, jointly owned with other Companies.
- Includes ` 32.35 Crore (31.03.2019: ` 32.39 Crore) towards Roads & Culverts, Transformers & Transmission lines, Railway Sidings & Rolling Stock for which though ownership does not vest with the Company, operational control over such assets is exercised. These assets are amortized as per useful life specified in Schedule II of Companies Act, 2013.
- a) Includes following Assets which are used for distribution of PDS Kerosene under Jana Kalyan Pariyojana against which financial assistance provided by OADB:

Description	Original Cost (` / Crore)	
	31.03.2020	31.03.2019
Roads & culverts	0.13	0.13
Buildings	1.62	1.62
Plant & Equipment	2.09	2.37
Total	3.84	4.12

- Includes following assets held under PAHAL (DBTL) scheme against which financial assistance had been provided by Ministry of Petroleum & Natural Gas, Government of India.

Description	Original Cost (` / Crore)	
	31.03.2020	31.03.2019
Computer Software	7.49	7.49
Computers/ End use devices	5.65	5.65
Office Equipment	0.01	0.01
Automation, Servers & Networks	1.55	1.55
Total	14.70	14.70

5. Assets held for sale consists of items such as Plant and equipment, office equipment, transport equipment, buildings, furnitures and fixtures and roads and culverts which have been identified for disposal due to replacement/ obsolescence of assets which happens in the normal course of business. These assets are expected to be disposed off within the next twelve months. On account of classification of these assets as ' Asset held for sale', a loss of ` 17.97 Crore during the year (2018-19: ` 30 Crore) has been recognised in the statement of profit and loss.
6. Includes Right of Use Assets having Gross value ` 27.57 Crore (31.03.2019: ` 27.57 Crore) for land acquired on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB), that has not been amortized over the period of lease in view of freehold title that would vest upon fulfilment of certain terms and conditions, as per allotment letter.
7. Includes adjustment to Cost of Assets pursuant to exchange differences arising on long term foreign currency monetary items, which, in accordance with Para 7AA of Ind AS 21 read with Para D13AA of Ind AS 101 are capitalized and depreciated over the balance useful life of the assets.
8. The Group has considered pipeline assets laid within the boundary limit of its premises as integral part of Tanks/ Other Plant and Machinery and have been depreciating such assets based on the useful life of associated Plant & Equipment, in line with the Schedule II of the Companies Act, 2013.
9. Includes reduction in depreciation for the year by ` 37.65 Crore(2018-19: NIL) in respect of 'Catalysts having Precious Metals' (Plant & Equipment), arising pursuant to change in accounting estimate towards residual value of the precious metal content which is now estimated at the cost of precious metal less estimated allowance for extraction process as against 5% as per schedule II to Companies Act, 2013 followed hitherto, in the backdrop of these precious metals commanding high valuation even after retiring from active use, as established through an Industry experience factor. Further, depreciation is additionally charged for the year by ` 7.16 Crore (2018-19: NIL) in respect of 'Catalysts not having Precious Metals' (Plant & Equipment), arising pursuant to change in accounting estimate over revision in residual value to NIL.
10. Includes reduction in depreciation for the year by ` 127.60 Crore (2018-19: NIL) in respect of LPG cylinders and pressure regulators, arising pursuant to change in accounting estimate over increase in residual value from 5% to 15% of Original Cost effective 01.04.2019. The revised estimate is based on historical data.
11. Includes assets of ` 1.20 Crore (31.03.2019: ` 1.30 Crore) forming part of Plant & Equipment, Buildings & Roads & Culverts, wherein though Infrastructure Facilities were provided at Railway Premises, no sales transactions were entered into during current financial year.
12. Assets of ` 0.03 Crore (31.03.2019: ` 0.29 Crore) comprising 4 number of properties (31.03.2019: 6) towards which title deeds for freehold/ leasehold are not available and further for assets of ` 2.27 Crore (31.03.2019: ` 2.50 Crore) comprising of 14 number of properties (31.03.2019: 19) for which property tax receipts are available.
13. The process of capitalization in respect of Property, Plant and Equipment including accounting of Capital Work-in-Progress is under continuous review and updation, wherever required, is being carried out on a regular basis.

(` / Crore)

	31.03.2020	31.03.2019
4. Capital Work-in-Progress		
Unallocated Capital Expenditure and Materials at Site	15,399.40	8,628.89
Capital Stores lying with Contractors	494.25	42.17
Capital goods in-transit	17.34	206.18
A	15,910.99	8,877.24
Construction period expenses pending apportionment (Net of recovery):		
Opening balance	618.67	304.48
Add: Expenditure during the year		
Establishment charges including Salaries & Wages	238.18	200.07
Interest	760.16	233.50
Loss/ (gain) on foreign currency transactions and translations	206.79	224.22
Others	0.11	0.01
	1,823.91	962.28
Less: Allocated to assets capitalised/ charged off during the year	590.80	343.61
Closing balance pending allocation	1,233.11	618.67
B	1,233.11	618.67
A+B	17,144.10	9,495.91



5. Intangible Assets

The following are the carrying values of Intangible Assets:

(` / Crore)

Particulars	Right of Way	Technical / Process Licenses	Software	Wind Energy	Total
Gross Block					
As on 01.04.2019	236.51	62.20	108.73	188.56	596.00
Additions/ Reclassifications	111.49	5.18	8.94	-	125.61
Deductions/ Reclassifications	-	-	-	-	-
As on 31.03.2020	348.00	67.38	117.67	188.56	721.61
Depreciation/ Amortisation					
As on 01.04.2019	-	37.48	61.34	41.00	139.82
For the year	0.05	6.60	21.21	10.41	38.27
Deductions/ Reclassifications	-	-	-	-	-
As on 31.03.2020	0.05	44.08	82.55	51.41	178.09
Net Block as on 01.04.2019	236.51	24.72	47.39	147.56	456.18
Net Block as on 31.03.2020	347.95	23.30	35.12	137.15	543.52

Note: Includes ` 77.14 Crore (31.03.2019: ` 73.85 Crore) towards Right of Way representing Company's Share of Assets, jointly owned with other Companies.

(` / Crore)

	31.03.2020	31.03.2019
5a. Intangible Assets Under Development*		
Oil/Oil onshore marginal fields	1.36	1.36
Discovered Field (Permit T/18P)	21.56	19.71
Yolla Field (License: T/L 1)	2.74	1.75
	25.66	22.82

* Pertains to wholly owned subsidiary Prize Petroleum Company Limited (PPCL)

(` / Crore)

	31.03.2020	31.03.2019
6. Investments in Joint Ventures and Associates		
Investments in Equity Instruments		
Associates		
Quoted		
Mangalore Refinery and Petrochemicals Ltd. 29,71,53,518 (31.03.2019: 29,71,53,518) Equity Shares of ` 10 each fully paid up	1,078.57	1,683.68
Un - Quoted		
GSPL India Transco Ltd. 5,41,20,000 (31.03.2019: 4,19,10,000) Equity Shares of ` 10 each fully paid up	50.19	42.77
GSPL India Gasnet Ltd. 10,36,22,128 (31.03.2019: 5,08,22,128) Equity Shares of ` 10 each fully paid up	97.29	48.47
Joint Ventures		
Un - Quoted		
HPCL Rajasthan Refinery Ltd. (refer note 6.1) 129,87,37,000 (31.03.2019: 89,04,05,000) Equity Shares of ` 10 each fully paid up	1,289.72	880.05

(₹ / Crore)

	31.03.2020	31.03.2019
HPCL Shapoorji Energy Pvt. Ltd. 17,50,00,000 (31.03.2019: 2,40,00,000) Equity Shares of ₹ 10 each fully paid up	172.93	22.71
HPCL-Mittal Energy Ltd. (refer note 6.1) 3,93,95,55,200 (31.03.2019: 3,93,95,55,200) Equity Shares of ₹ 10 each fully paid up	4,849.16	5,152.62
Hindustan Colas Pvt. Ltd. 47,25,000 (31.03.2019: 47,25,000) Equity Shares of ₹ 10 each fully paid up	194.81	148.53
Petronet India Ltd. (refer note 6.2) 1,60,00,000 (31.03.2019: 1,60,00,000) Equity Shares of ₹ 0.10 each fully paid up	0.42	0.42
Petronet MHB Ltd. 27,43,33,672 (31.03.2019: 17,95,11,020) Equity Shares of ₹ 10 each fully paid up	477.57	261.94
South Asia LPG Company Pvt. Ltd. 5,00,00,000 (31.03.2019: 5,00,00,000) Equity Shares of ₹ 10 each fully paid up	120.74	125.17
Bhagyanagar Gas Ltd. 4,36,50,000 (31.03.2019: 4,36,50,000) Equity Shares of ₹ 10 each fully paid up	150.34	145.56
Aavantika Gas Ltd. 2,95,57,038 (31.03.2019: 2,95,57,038) Equity Shares of ₹ 10 each fully paid up	117.50	98.01
Mumbai Aviation Fuel Farm Facility Pvt. Ltd. 4,82,88,750 (31.03.2019: 4,82,88,750) Equity Shares of ₹ 10 each fully paid up	87.05	77.02
Godavari Gas Pvt. Ltd. 1,60,74,643 (31.03.2019: 81,90,000) Equity Shares of ₹ 10 each fully paid up	14.93	7.70
Ratnagiri Refinery & Petrochemical Limited 5,00,00,000 (31.03.2019: 2,50,00,000) Equity shares of ₹ 10 each fully paid up	36.28	16.27
HPOIL Gas Pvt. Ltd. 6,00,00,000 (31.03.2019: 50,00,000) Equity shares of ₹ 10 each fully paid up	58.37	4.77
IHB Pvt. Ltd. 2,62,50,000 Equity shares of ₹ 10 each fully paid up	24.95	-
	8,820.82	8,715.69

(₹ / Crore)

	31.03.2020	31.03.2019
Disclosure towards Cost/ Market Value		
a. Aggregate amount of Quoted Investments (Market Value)	686.42	2,207.85
b. Aggregate amount of Quoted Investments (Cost)	471.68	471.68
c. Aggregate amount of Unquoted Investments (Cost)	6,374.12	5,450.27

6.1. As per the guidelines issued by Department of Public Enterprises (DPE) in August 2005, the Board of Directors of Navratna Public Sector Enterprises (PSEs) can invest in joint ventures and wholly owned subsidiaries subject to an overall ceiling of 30% of the net worth of the PSE. The company has requested Ministry of Petroleum & Natural Gas (MOP&NG) to confirm its understanding that for calculating this ceiling limit, the amount of investments specifically approved by Government of India (i.e. investment in HPCL Mittal Energy Ltd. (HMEL) and HPCL Rajasthan Refinery Limited (HRRL)) are to be excluded. The Company has calculated the limit of 30% investment in joint ventures and wholly owned subsidiaries, by excluding these investments. As per financial position as on 31st March 2020, the investments in joint ventures and wholly owned subsidiaries are well within the said 30% limit.

6.2. Petronet India Ltd. is in the process of Voluntary winding up w.e.f. August 30, 2018.

(₹ / Crore)

	31.03.2020	31.03.2019
7. Other Investments		
Investment in Equity Instruments carried at fair value through other comprehensive income		
Quoted		
Oil India Ltd.(refer note 7.1)		
2,67,50,550 (31.03.2019: 2,67,50,550) Equity Shares of ₹ 10 each fully paid up	221.23	495.82
Scooters India Ltd.(refer note 7.1)		
10,000 (31.03.2019:10,000) Equity Shares of ₹ 10 each fully paid up	0.02	0.03
Investment in Equity Instruments carried at fair value through profit or loss		
Un - Quoted		
Woodlands Multispecialty Hospital Limited of face value of ₹ 0.21 lakhs		
2,110 (31.03.2019:2,110) Equity shares of ₹ 10 each fully paid	0.00	0.00
Shushrusha Citizen Co-operative Hospital Limited of the face value of ₹ 0.10 lakhs		
100 (31.03.2019: 100) Equity Shares of ₹ 100/- each fully paid	0.00	0.00
Total Investments in Equity Instruments	221.25	495.85
Investments in Preference Shares carried at fair value through profit or loss		
Others		
Un - Quoted		
Compulsorily Convertible Preference shares in Start-Up Companies (refer note 7.2)	8.68	2.10
Total Investments in Preference Shares	8.68	2.10
Other Investments carried at fair value through profit or loss		
Structured Entities		
Un - Quoted		
Petroleum India International (Association of Persons) Contribution towards Seed Capital (refer note 7.3)	-	0.05
Total Investments in Structured Entities	-	0.05
	229.93	498.00

- 7.1. The Group intends to hold these Investments for long term strategic purposes and accordingly designated them at fair value through Other Comprehensive Income. No strategic investments were disposed off during the financial year.
- 7.2. In view that these start-up are in the stage of their development and are mostly in traction and refinement stages, the carrying value of these start-ups is considered as a reasonable approximation of their fair value.
- 7.3. The Members in Petroleum India International (AOP) are: Hindustan Petroleum Corporation Ltd., Bharat Petroleum Corporation Ltd., Engineers India Ltd., Indian Oil Corporation Ltd., Reliance Industries Ltd., Chennai Petroleum Corporation Ltd., Oil and Natural Gas Corporation Limited and Oil India Ltd. The total capital is ` 0.55 Crore of which share of every member is ` 0.05 Crore each except share of Indian Oil Corporation Limited & Bharat Petroleum Corporation Ltd. which are ` 0.15 Crore & ` 0.10 Crore respectively. During the current financial year, upon refund of the remaining amount, lying in Members' account by the AOP, Members have executed a Termination Agreement dated March 18, 2020 bringing an end to the MOU, entered into between them on 01/03/1986, to be effective, upon fulfilling residual obligations by the AOP, including filing of Return under Income tax laws for the year, to be filed in early part of next financial year 2020-21.

	(` / Crore)	
	31.03.2020	31.03.2019
Disclosures towards Cost/ Market Value/ Impairment		
a. Aggregate amount of Quoted Investments (Market Value)	221.25	495.85
b. Aggregate amount of Quoted Investments (Cost)	561.77	561.77
c. Aggregate amount of Unquoted Investments (Cost)	8.68	2.15
d. Aggregate amount of Provision for Impairment	-	-

	(` / Crore)	
	31.03.2020	31.03.2019
8. Loans		
Secured		
Employee loans and advances and Interest thereon, considered good	346.32	326.97
Unsecured		
Deposits, considered good	146.82	101.03
Other Loans, considered good (refer note 8.1)	911.76	692.40
Loan Receivables which have significant increase in credit risk (refer note 8.1)	153.54	62.53
Loan Receivables – credit impaired (refer note 8.1)	13.34	2.00
Less: Provision for Impairment (refer note 8.2)	162.43	43.50
	1,409.35	1,141.43

- 8.1 Includes Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ` 1,027.10 Crore before impairment (31.03.2019: ` 708.95 Crore).
- 8.2 Includes Provision towards Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ` 162.43 Crore (31.03.2019: ` 43.50 Crore)

(₹ / Crore)

	31.03.2020	31.03.2019
9. Other Financial Assets		
Share application money pending allotment	0.35	0.70
Bank Deposit with more than 12 months maturity (refer note 9.1)	4.97	0.97
Lease Receivables	0.97	-
	6.29	1.67

9.1. Earmarked with various authorities.

(₹ / Crore)

	31.03.2020	31.03.2019
10. Other Non-Current Assets		
Balances with Excise, Customs, etc. (refer note 10.1)	480.01	533.18
Deposits	130.26	131.70
Advance tax (net of provisions)	1,385.70	205.37
Capital advances	207.61	347.12
Prepaid Employee Cost	176.28	146.15
Prepaid Lease Rental	0.30	779.96
Others Prepaid Expenses (Including advance)	320.29	195.98
	2,700.45	2,339.46

10.1. Includes an amount of ₹ 80.56 Crore has been carried in the books as receivable towards Custom Duty refund claims filed relating to the period 1992-1997. As per the assessment made by the management, the refund is legally tenable, management is continuing to pursue the matter with Authorities for early settlement of these claims.

(₹ / Crore)

	31.03.2020	31.03.2019
11. Inventories		
Raw materials (Including in-transit 31.03.2020: ₹ 1,020.42 Crore; 31.03.2019: ₹ 1,182.03 Crore)	2,950.06	3,462.25
Work-in-progress	922.39	781.79
Finished goods (Including in-transit 31.03.2020: ₹ 88.76 Crore; 31.03.2019: ₹ 150.42 Crore)	6,164.24	6,995.33
Stock-in-trade (Including in-transit 31.03.2020: ₹ 1,251.37 Crore; 31.03.2019: ₹ 1,322.23 Crore)	8,755.55	8,713.48
Stores and spares (Including in-transit 31.03.2020: ₹ 32.02 Crore; 31.03.2019: ₹ 3.73 Crore)	506.88	461.94
Less: Provision for Stores and Spares	7.68	7.68
Packages	34.55	36.51
	19,325.99	20,443.62

11.1. The write-down including reversals, if any, of Inventories to net realisable value during the financial year amounted to ₹ 1,002.93 Crore (31.03.2019: ₹ 79.05 Crore) for the Corporation. The write downs and reversal are included in cost of materials consumed, changes in Inventories of finished goods, stock-in-trade and work in progress. For the write down of inventories considered as exceptional items - refer Note 60.

(₹ / Crore)

	31.03.2020	31.03.2019
12. Investments		
Investments carried at fair value through profit or loss		
Quoted - Government Securities		
6.90% Oil Marketing Companies' GOI Special Bonds, 2026 17,36,36,000 (31.03.2019:17,36,36,000) Bonds of ₹ 100 each face value	1,767.79	1,672.47
8.00% Oil Marketing Companies' GOI Special Bonds, 2026 24,41,000 (31.03.2019:24,41,000) Bonds of ₹ 100 each face value	26.18	24.94
8.20% Oil Marketing Companies' GOI Special Bonds, 2024 1,23,49,000 (31.03.2019:1,23,49,000) Bonds of ₹ 100 each face value	132.76	127.53
6.35% Oil Marketing Companies' GOI Special Bonds, 2024 18,32,33,000 (31.03.2019:18,32,33,000) Bonds of ₹ 100 each face value	1,834.06	1,735.59
7.59% Government of India, G - Sec Bonds, 2026 1,85,00,000 (31.03.2019: 1,85,00,000) Bonds of ₹ 100 each face value (refer note 12.1)	196.19	187.87
7.72% Government of India, G - Sec Bonds, 2025 8,36,00,000 (31.03.2019: 8,36,00,000) Bonds of ₹ 100 each face value (refer note 12.1)	892.01	858.40
8.33% Government of India, G - Sec Bonds, 2026 1,80,00,000 (31.03.2019: 1,80,00,000) Bonds of ₹ 100 each face value (refer note 12.1)	196.92	189.72
8.15% Government of India, G - Sec Bonds, 2026 2,75,00,000 (31.03.2019: 2,75,00,000) Bonds of ₹ 100 each face value (refer note 12.1)	298.95	287.24
	5,344.86	5,083.76

12.1. Bonds valuating ₹ 1,476 Crore (31.03.2019: ₹ 1,476 Crore) comprising 7.59 % G - Sec Bonds of ₹ 185 Crore (31.03.2019: ₹ 185 Crore), 7.72 % G - Sec Bonds of ₹ 836 Crore (31.03.2019: ₹ 836 Crore), 8.33 % G - Sec Bonds of ₹ 180 Crore (31.03.2019: ₹ 180 Crore) and 8.15 % G - Sec Bonds of ₹ 275 Crore (31.03.2019: ₹ 275 Crore), have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.

(₹ / Crore)

	31.03.2020	31.03.2019
Disclosure towards Cost/ Market Value		
a Aggregate amount of Quoted Investments (Market Value)	5,344.86	5,083.76
b Aggregate amount of Quoted Investments (Cost)	5,267.26	5,267.26
c Aggregate amount of Unquoted Investments (Cost)	-	-
d Aggregate amount of Provision for impairment	-	-

(₹ / Crore)

	31.03.2020	31.03.2019
13. Trade Receivables		
Unsecured, considered good	3,954.78	5,676.48
Doubtful	159.33	158.45
Less: Allowances for Bad and Doubtful Debts	159.33	158.45
Less: Impairment Provision (Expected Credit Loss Model)	20.59	8.69
	3,934.19	5,667.79

(₹ / Crore)

	31.03.2020	31.03.2019
14. Cash and Cash Equivalents		
Balances with Scheduled Banks:		
- on Current Accounts	109.54	72.86
- on Non-Operative Current Accounts	0.01	0.01
Cheques Awaiting Deposit	-	0.01
Cash on hand	1.84	8.74
Fixed Deposits with original maturity less than 3 months	93.37	117.12
	204.76	198.74

(₹ / Crore)

	31.03.2020	31.03.2019
15. Bank Balances other than cash and cash equivalents		
Earmarked balances with banks	17.95	16.34
Fixed Deposits with 3 - 12 months maturity (refer note 15.1)	0.41	3.42
	18.36	19.76

15.1. Earmarked with various authorities.

(₹ / Crore)

	31.03.2020	31.03.2019
16. Loans		
Secured		
Employee loans and advances and Interest thereon, considered good	45.18	32.62
Unsecured		
Deposits	0.03	0.03
Other Loans, considered good (refer note 16.1)	362.86	792.94
Loan Receivables which have significant increase in credit risk (refer note 16.1)	61.42	75.04
Loan Receivables - credit impaired (refer note 16.1)	17.34	14.40
Less: Provision for Impairment (refer note 16.2)	76.97	64.20
	409.86	850.83

16.1. Includes Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ₹ 410.84 Crore before impairment (31.03.2019: ₹ 850.74 Crore).

16.2. Includes Provision towards Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ₹ 64.97 Crore (31.03.2019: ₹ 52.20 Crore)

(₹ / Crore)

	31.03.2020	31.03.2019
17. Other Financial Assets		
Amounts recoverable under subsidy schemes	464.65	821.33
Interest accrued on Investments	93.98	93.54
Derivative Assets	16.04	107.58
Delayed payment charges receivable from customers	282.93	370.92
Less: Provision for doubtful delayed payment charges receivables	121.87	119.30
Receivables from Govt. of India towards Pradhan Mantri Ujjwala Yojana (PMUY)	371.35	1,070.92
Less: Provision for doubtful receivables from Govt. of India towards PMUY	-	64.29
Receivables from Govt. of India towards Direct Benefit Transfer of LPG (DBTL)	5,576.35	7,049.63
Balance with Life Insurance Corporation of India	1,041.76	964.97
Other Receivables	254.68	256.19
Less: Provision for doubtful other receivables	11.38	11.38
	7,968.49	10,540.11

(₹ / Crore)

	31.03.2020	31.03.2019
18. Other Current Assets		
Advance recoverable other than cash	7.05	3.29
Balances with Excise, Customs, etc.	42.59	219.75
Deposits	5.81	-
Prepaid Employee Cost	15.56	13.99
Prepaid Lease Rental	10.96	46.04
Other Prepaid Expenses	295.86	308.92
Gold Coins in Hand	7.40	5.83
Other Current Assets	16.01	79.33
	401.24	677.15

(₹ / Crore)

	31.03.2020	31.03.2019
19. Equity Share capital		
A. Authorised:		
2,49,92,50,000 (31.03.2019: 2,49,92,50,000) Equity Shares of ₹ 10/- each	2,499.25	2,499.25
75,000 (31.03.2019: 75,000) Cumulative Redeemable Preference Shares of ₹ 100/- each	0.75	0.75
	2,500.00	2,500.00
B. Issued & Subscribed:		
1,52,45,25,375 (31.03.2019: 1,52,45,25,375) Equity Shares of ₹ 10/- each	1,524.53	1,524.53
C. Fully Paid up:		
1,52,38,22,625 (31.03.2019: 1,52,38,22,625) Equity Shares of ₹ 10/- each	1,523.82	1,523.82
D. Shares Forfeited:		
7,02,750 (31.03.2019: 7,02,750) Shares Forfeited (money received)	0.39	0.39
	1,524.21	1,524.21

	31.03.2020	31.03.2019
E. Reconciliation of number of Equity Shares		
Outstanding at the beginning of the year	1,52,38,22,625	1,52,38,22,625
Equity shares allotted as fully paid bonus shares	-	-
Outstanding at the end of the year	1,52,38,22,625	1,52,38,22,625

F. Rights and Restrictions on Equity/ Preference Shares

The Company has only one class of Equity Shares having a face value of ` 10/- per share which are issued and subscribed. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of the winding up of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by the shareholders and the amount paid up thereon. The Company also has 75,000 6% cumulative Redeemable Non-convertible Preference Shares of ` 100/- each as a part of the Authorised Capital, which were issued earlier by the erstwhile ESSO Standard Refining Co. of India Ltd. (ESRC). Presently the said Preference Shares stand redeemed.

G. Details of share held by each shareholder holding more than 5% shares in the company:

Name of shareholders	31.03.2020	
	% Holding	No. of Shares
Oil and Natural Gas Corporation Limited	51.11	77,88,45,375

Name of shareholders	31.03.2019	
	% Holding	No. of Shares
Oil and Natural Gas Corporation Limited	51.11	77,88,45,375

H. In the period of five years immediately preceding 31st March, 2020:

The Corporation had issued Bonus Shares during Financial Years 2017-18 and 2016-17 in the ratio of 1:2 and 2:1 respectively by capitalization of Reserve. The total number of Bonus Shares issued during Financial Years 2017-18 and 2016-17 are 50,79,40,875 and 67,72,54,500 equity shares respectively, having face value of ` 10 each.

		(` / Crore)	
		31.03.2020	31.03.2019
20. Other Equity			
Capital Redemption Reserve	(i)	1.56	1.56
Debenture Redemption Reserve	(ii)	720.13	208.60
Capital Reserve	(iii)	0.71	0.71
Foreign Currency Monetary Item Translation Difference Account	(iv)	-	(2.91)
General Reserve	(v)	1,827.75	1,827.75
Retained Earnings	(vi)	27,485.23	26,923.39
Equity Instruments through Other Comprehensive Income	(vii)	(340.53)	(65.92)
Foreign Currency Translation Reserve	(viii)	(51.33)	(16.73)
Cash Flow Hedge Reserve	(ix)	(187.11)	-
		29,456.41	28,876.45

(₹ / Crore)

	31.03.2020	31.03.2019
(i) Capital Redemption Reserve		
As per last Balance Sheet	1.56	1.56
(ii) Debenture Redemption Reserve		
As per last Balance Sheet	208.60	189.35
Add: Transfer from Retained Earnings (refer note 20.1)	625.00	19.25
Less: Transfer to Retained Earnings	113.47	-
	720.13	208.60
20.1. The reserve is created consequent on Non-Convertible Debentures, issued under Companies Act, 2013.		
(iii) Capital Reserve		
As per last Balance Sheet	0.71	0.65
Add: Transfer during the year	-	0.06
	0.71	0.71
(iv) Foreign Currency Monetary Item Translation Difference Account (refer note 20.2)		
As per last Balance Sheet	(2.91)	(0.64)
Add: Additions during the year	(0.79)	(6.58)
Less: Amortised during the year	(3.70)	(4.31)
	-	(2.91)
20.2. Represents exchange rate variation on loan taken for acquisition of non-depreciable assets, amortized over loan period.		
(v) General Reserve		
As per last Balance Sheet	1,827.75	1,827.75
	1,827.75	1,827.75
(vi) Retained Earnings		
As per last Balance Sheet	26,923.39	21,973.01
Add: Profit/(Loss) for the year	2,638.73	6,690.63
Add: Transfer from Debenture Redemption Reserve	111.54	-
Less: Transfer to Debenture Redemption Reserve	625.00	17.34
Add: Reversal of Tax Expense on exercising option under Section 115BAA of Income-tax Act, 1961 (refer note 40)	324.89	-
Less: Profit appropriated to Interim/ Final Dividend	1,432.39	1,371.44
Less: Profit appropriated to Tax on Distributed Profits	294.43	281.90
Less: Transition impact of Ind AS 115 (net of tax)	-	82.17
Add: Share in Other comprehensive Income of equity accounted investees	(2.93)	(3.16)
Less: Remeasurement (Gain)/Loss on Defined Benefit Plans	158.57	(15.76)
	27,485.23	26,923.39



	₹ / Crore)	
	31.03.2020	31.03.2019
(vii) Equity Instruments through Other Comprehensive Income		
As per last Balance Sheet	(65.92)	14.23
Add: Additions during the year	(274.61)	(80.15)
	(340.53)	(65.92)
(viii) Foreign Currency Translation Reserve		
As per last Balance Sheet	(16.73)	2.32
Add: Additions during the year	(34.60)	(19.05)
	(51.33)	(16.73)
(ix) Cash Flow Hedge Reserve		
As per last Balance Sheet	-	-
Add: Effective Portion of Gains/(loss) in a Cash Flow Hedge	(187.11)	-
	(187.11)	-
	29,456.41	28,876.45

	₹ / Crore)	
	31.03.2020	31.03.2019
21. Borrowings		
Bonds and Debentures (refer note 21.1)		
Un - secured		
Foreign Currency Bonds	3,771.95	3,446.62
8.00% Non-Convertible Debentures	499.75	-
7.00% Non-Convertible Debentures	1,999.76	-
6.80% Non-Convertible Debentures	2,999.77	-
6.38% Non-Convertible Debentures	599.75	-
7.03% Non-Convertible Debentures	1,399.76	-
Term loans		
Secured		
Oil Industry Development Board (refer note 21.2)	2,931.19	692.38
Other Loans (refer note 21.4)	246.49	272.26
Un - secured		
Syndicated Loans from Foreign Banks (repayable in foreign currency) (refer note 21.3)	10,783.50	9,871.60
Others		
Un - secured		
Lease Liability (under Ind AS 116)	2,493.45	-
	27,725.37	14,282.86
Less: Current Maturities of Long Term Borrowings	4,359.02	2,155.06
Less: Current Maturities of Lease Liabilities	256.72	-
	23,109.63	12,127.80

21.1. Bonds and Debentures

Particulars of Bond/Debenture	Coupon Rate of Interest	Date of Maturity/Redemption
7.03% Non-Convertible Debentures	7.03% p.a. payable Annually	12 th April 2030
USD 500 million bonds	4.00% p.a. payable Half Yearly	12 th July 2027
7.00% Non-Convertible Debentures	7.00% p.a. payable Annually	14 th August 2024
8.00% Non-Convertible Debentures	8.00% p.a. payable Annually	25 th April 2024
6.38% Non-Convertible Debentures	6.38% p.a. payable Annually	12 th April 2023
6.80% Non-Convertible Debentures	6.80% p.a. payable Annually	15 th December 2022

21.2. Term Loans from Oil Industry Development Board

Repayable during	` in Crore		Range of Interest Rate as on	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
2019-20	-	61.19	-	7.86%-9.11%
2020-21	181.19	181.19	7.72%-8.28%	7.72%-8.09%
2021-22	725.00	150.00	6.53%-8.28%	7.72%-8.28%
2022-23	725.00	150.00	6.53%-8.28%	7.72%-8.28%
2023-24	725.00	150.00	6.53%-8.28%	7.72%-8.28%
2024-25	575.00	-	6.53%-7.96%	-
Total	2,931.19	692.38		

The loan has been secured with first charge on the facilities of Vishakh Refinery Modernisation Project, Mumbai Refinery Expansion Project, Awa Salawas Pipeline, Manglore Hassan Mysore LPG Pipeline, Uran-Chakan/ Shikarpur LPG Pipeline & Rewari Mathura Kanpur Pipeline for a value of ` 15,815.87 Crore (31.03.2019: ` 8,087.03 Crore). Of the loan amount ` 181.19 Crore (31.03.2019: ` 61.19 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26.

21.3. Syndicated Loans from Foreign Banks (repayable in foreign currency)**With respect to Loan taken by Hindustan Petroleum Corporation Ltd.**

The Group has availed Syndicated Loans from foreign Banks at 3 months floating LIBOR plus spread (spread range: 65 to 155 basis point p.a.). These loans are taken for the period up to 5 years. Of the loan amount ` 4,150.07 Crore (31.03.2019: ` 2,068.18 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26.

With respect to Loan taken by Prize Petroleum International Pte Ltd. (PPIPL)

The secured bank loan bears interest at 1.2% + 6-month LIBOR per annum (2018-19: 1.2% + 6-month LIBOR per annum), which ranged from 3.82% to 3.13% p.a. (2018-19: 3.72% to 3.97% p.a.). The bank loan is repayable on the 7th anniversary of the utilization date on 28th October 2023. Shares of the Group in PPIPL have been pledged in favour of the lender.

21.4. Other Loans**With respect to Loan taken by HPCL Biofuels Ltd. (HBL)**

Government Of Bihar (GOB) Soft Loan of ` 16.48 Crore availed through SBI during F.Y.15-16 with interest subvention to the extent of 10%. Four Installments amounting to ` 3.52 Crore was paid during F.Y. 2019-20 (2018-19: ` 3.30 Crore). The Balance of GOB Soft Loan as on 31.03.2020 was ` 3.07 Crore (31.03.2019: ` 6.57 Crore). Term Loan of ` 308.80 Crore was availed through SBI during F.Y. 2014-15. Four installments amounting to ` 15.44 Crore paid during F.Y. 2019-20 (2018-19: ` 15.44 Crore). The Balance of Term loan as on 31.03.2020 was ` 243.43 Crore (31.03.2019: ` 265.69 Crore).

The term loan as well as the soft loans under GOI and GOB schemes are secured by equitable mortgage of Land, Building & Fixed Assets.

Of the loan amount ₹ 27.76 Crore (31.03.2019: ₹ 25.69 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26)

(₹ / Crore)

	31.03.2020	31.03.2019
22. Other Financial Liabilities		
Other Liabilities	0.70	0.51
	0.70	0.51

(₹ / Crore)

	31.03.2020	31.03.2019
23. Provisions		
Provision for employee benefits	54.54	58.33
Others	0.08	0.08
	54.62	58.41

(₹ / Crore)

	31.03.2020	31.03.2019
24. Other Non-Current Liabilities		
Capital Grant	14.36	16.12
Other liabilities	210.47	136.83
	224.83	152.95

(₹ / Crore)

	31.03.2020	31.03.2019
25. Borrowings		
Loans repayable on demand		
Secured		
from banks		
Cash Credit (Secured by hypothecation of Inventories in favour of Banks on <i>pari passu</i> basis)	3,116.89	2,864.18
from other parties		
Triparty Repo Dealing System Loan (refer Note 25.1)	1,399.94	1,389.73
Un-secured		
from banks		
Clean Loans	3,056.02	3,500.00
Short term loans	6,261.11	3,866.04
from other parties		
Commercial papers	2,442.16	2,288.73
	16,276.12	13,908.68

25.1. Bonds valuating ` 1,476 Crore (31.03.2019: ` 1,476 Crore) comprising 7.59 % G - Sec Bonds of ` 185 Crore (31.03.2019: ` 185 Crore), 7.72 % G - Sec Bonds of ` 836 Crore (31.03.2019: ` 836 Crore), 8.33 % G - Sec Bonds of ` 180 Crore (31.03.2019: ` 180 Crore) and 8.15 % G - Sec Bonds of ` 275 Crore (31.03.2019: ` 275 Crore), have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.

(` / Crore)

	31.03.2020	31.03.2019
26. Other Financial Liabilities		
Current maturities of Long Term Borrowings (refer note 26.1)	4,359.02	2,155.06
Current maturities of Lease Liabilities	256.72	-
Interest accrued but not due on loans	262.47	67.87
Unpaid Dividend (refer note 26.2)	17.70	15.99
Derivative Liability	79.51	12.52
Deposits from Dealers/ Consumers/ Suppliers (refer note 26.3)	15,436.10	14,451.63
Liability towards Capital Expenditures:		
Outstanding dues of micro enterprises and small enterprises (refer note 47)	339.55	342.61
Outstanding dues of creditor other than micro and small enterprises	1,643.81	1,577.41
Other Financial Deposits	11.91	12.60
Other Liabilities	979.12	898.92
	23,385.91	19,534.61

26.1. Includes loans repayable within one year: Syndicated Loans from Foreign Banks (repayable in foreign currency) ` 4,150.07 Crore (31.03.2019: ` 2,068.18 Crore); Loan from Oil Industry and Development Board ` 181.19 Crore (31.03.2019: ` 61.19 Crore) and Other Loans ` 27.76 Crore (31.03.2019: ` 25.69 Crore).

26.2. Dues as at the end of the year for credit to Investors' Education and Protection Fund is ` NIL (31.03.2019: NIL).

26.3. Includes deposits received towards Rajiv Gandhi Gramin LPG Vitruk Yojana ` 241.89 Crore (31.03.2019: ` 241.89 Crore) and Prime Minister Ujjavala Yojana of ` 3,020.91 Crore (31.03.2019: ` 2,675.09 Crore). These deposits have been either made by Government of India or created out of CSR fund.

(` / Crore)

	31.03.2020	31.03.2019
27. Other Current Liabilities		
Revenue received in advance	1,046.95	915.94
Capital Grant	1.82	3.06
Statutory Payables	1,708.89	2,646.36
Other Liabilities	158.35	154.43
	2,916.01	3,719.79



(₹ / Crore)

	31.03.2020	31.03.2019
28. Provisions		
Provision for employee benefits	1,903.43	1,211.11
Provisions for probable obligations (refer note 56)	727.13	871.07
	2,630.56	2,082.18

(₹ / Crore)

	31.03.2020	31.03.2019
29. Current Tax Liabilities (Net)		
Provision for tax (net of advance tax) (refer note 40)	366.97	831.27
	366.97	831.27

(₹ / Crore)

	2019-20	2018-19
30. Gross Sale of Products		
Sale of Products	2,86,199.40	2,94,963.99
Recovery under Subsidy Schemes	374.87	1,022.88
	2,86,574.27	2,95,986.87

30.1. Net of discount of ₹ 2,348.47 Crore (2018-19: ₹ 2,598.66 Crore).

30.2. Includes Subsidy on PDS Kerosene and Domestic Subsidized LPG from State Governments amounting to ₹ 63.95 Crore (2018-19: ₹ 55.63 Crore) and Subsidy on Sugar (pertaining to HPCL Biofuels Ltd.) from GOI of ₹ 29.51 Crore (2018-19: ₹ 10.13 Crore).

30.3. Includes Budgetary Support amounting to ₹ 281.41 Crore (2018-19: ₹ 957.12 Crore) under 'Recovery under Subsidy Schemes' towards under-recovery on sale of PDS SKO.

30.4. Disaggregation of revenue as required under Ind AS 115:

(₹ / Crore)

	2019-20	2018-19
Exports	6,203.38	2,790.09
Other than export	2,80,370.89	2,93,196.78
	2,86,574.27	2,95,986.87

(₹ / Crore)

	2019-20	2018-19
31. Other Operating Revenues		
Rent Recoveries	828.13	834.89
Net Recovery for LPG Filling Charges	0.63	0.96
Miscellaneous Operating Income	339.02	399.56
	1,167.78	1,235.41

(₹ / Crore)

	2019-20	2018-19
32. Other Income		
Interest Income on Financial Assets carried at amortized cost:		
On Deposits	0.40	0.53
On Staff Loans	41.72	33.48
On Customers' Accounts	272.62	262.70
Interest On Current Investments carried at fair value through Profit or Loss	373.11	374.99
Interest on Other Financial Assets carried at amortized cost	303.41	200.87
	991.26	872.57
Dividend Income from non-current equity instruments at FVOCI	28.76	25.41
Fair value gain on Derivative instruments carried at FVTPL	-	45.42
Fair value gain on Current Investments carried at FVTPL	262.66	84.39
Profit on Sale of Current Investment	0.55	4.61
Profit on Sale/write off of Property Plant & Equipments/ Capital Work in Progress/ Assets classified as held for Sale/Disposal (net)	19.41	8.58
Share of Profit/ (Loss) from Petroleum India International (AOP)	0.34	0.02
Miscellaneous Income	378.64	412.12
	690.36	580.55
	1,681.62	1,453.12

(₹ / Crore)

	2019-20	2018-19
33. Cost of Materials Consumed		
Cost of Raw Materials Consumed	59,583.73	69,459.48
Packages Consumed	322.76	349.23
	59,906.49	69,808.71

(₹ / Crore)

	2019-20	2018-19
34. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress (Increase)/ Decrease		
(A) Closing Stock:		
Work-in-progress	922.39	781.79
Finished Goods	6,164.24	6,995.33
Stock-in-trade	8,755.55	8,713.48
	15,842.18	16,490.60
(B) Opening Stock:		
Work-in-progress	781.79	740.15
Finished Goods	6,995.33	5,955.96
Stock-in-trade	8,713.48	7,570.25
	16,490.60	14,266.36
(C) Write down of inventories considered under Exceptional Items (refer note 60)	1,002.93	-
(B-A-C)	(354.51)	(2,224.24)



(₹ / Crore)

	2019-20	2018-19
35. Employee Benefits Expense		
Salaries, Wages, Bonus, etc.	2,276.29	2,298.70
Contribution to Provident Fund (refer note 64)	334.13	151.38
Pension, Gratuity and Other Employee Benefits	267.50	197.33
Employee Welfare Expenses	346.14	323.83
	3,224.06	2,971.24

(₹ / Crore)

	2019-20	2018-19
36. Finance costs		
Interest	772.61	559.16
Exchange differences regarded as an adjustment to borrowing costs	345.32	160.26
Other borrowing costs (refer note 36.1)	20.92	66.22
	1,138.85	785.64

36.1 Includes interest u/s 234B/ 234C of Income Tax Act, 1961 for an amount ₹ NIL Crore (2018-19: ₹ 39.78 Crore).

(₹ / Crore)

	2019-20	2018-19
37. Other Expenses		
Transportation Expenses	6,141.13	6,098.79
Consumption of Stores, Spares and Chemicals	290.02	286.46
Power and Fuel	2,722.42	3,296.94
Less: Consumption of fuel out of own production	2,223.37	2,775.80
Power and fuel consumed (net)	499.05	521.14
Repairs and Maintenance - Buildings	60.06	57.59
Repairs and Maintenance - Plant and Machinery	1,189.75	1,063.08
Repairs and Maintenance - Other Assets	487.41	417.77
Insurance	75.47	56.25
Rates and Taxes	93.17	79.23
Irrecoverable Taxes and Other Levies	416.38	515.53
Equipment Hire Charges	2.32	2.05
Rent	291.81	327.09
Travelling and Conveyance	236.71	240.85
Printing and Stationery	19.71	21.13
Electricity and Water	831.34	874.24
Corporate Social Responsibility (CSR) Expenses	182.24	159.81
Stores and spares written off	2.42	1.95
Provision for Doubtful Receivables/Loans (After adjusting provision no longer required written back ₹ NIL Crore, 2018-19: ₹ 0.58 Crore)	69.98	129.06
Provision for Doubtful Debts (After adjusting provision no longer required written back ₹ NIL Crore, 2018-19: ₹ 0.02 Crore)	12.78	34.00
Bad Debts written off	0.21	15.17
Security Charges	282.73	268.25
Advertisement and Publicity	155.66	198.36
Sundry Expenses and Charges (Not otherwise classified)	1,064.67	774.21
Consultancy and Technical Services	61.50	64.02
Loss on Foreign Currency Transaction and Translation (net)	875.44	626.13
Fair value Loss on Derivative instruments carried at FVTPL (net)	44.75	-
Exploration Cost	30.75	3.78
Payments to the auditor for:		
- Audit Fees	0.74	0.79
- Other Services	0.39	0.25
- Reimbursement of expenses	0.28	0.14
	13,418.87	12,837.12

38. Fair Value Measurements:**38.A. Classification of Financial Assets and Financial Liabilities:**

The following table shows the carrying amounts of Financial Assets and Financial Liabilities which are classified as at Fair value through Profit or Loss (FVTPL), Fair value through other comprehensive Income (FVTOCI) and Amortized Cost:

(₹ / Crore)

	31.03.2020			31.03.2019		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments						
- Investment in Equity Instruments	0.00	221.25	-	0.00	495.85	-
- Investment in Preference Shares	8.68	-	-	2.10	-	-
- Investment in Debt Instruments	5,344.86	-	-	5,083.76	-	-
- Others	-	-	-	0.05	-	-
Loans & Advances						
- Employee Loans	-	-	391.50	-	-	359.59
- Other loans	-	-	1,427.71	-	-	1,632.67
Trade receivables	-	-	3,934.19	-	-	5,667.79
Cash and cash equivalents	-	-	204.76	-	-	198.74
Other Bank Balances	-	-	18.36	-	-	19.76
Derivative Assets	16.04	-	-	107.58	-	-
Amounts recoverable under subsidy schemes	-	-	464.65	-	-	821.33
Others	-	-	7,494.09	-	-	9,612.87
Total	5,369.58	221.25	13,935.26	5,193.49	495.85	18,312.75
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	-	3,771.95	-	-	3,446.62
- Non Convertible Debentures	-	-	7,498.79	-	-	-
- Oil Industry Development Board	-	-	2,931.19	-	-	692.38
- Syndicated Loans from Foreign Banks	-	-	10,783.50	-	-	9,871.60
- Long term loans from banks	-	-	246.49	-	-	272.26
- Cash Credit	-	-	3,116.89	-	-	2,864.18
- Short term loans from banks	-	-	6,261.11	-	-	3,866.04
- Clean Loans	-	-	3,056.02	-	-	3,500.00
- Triparty Repo Dealing System Loan	-	-	1,399.94	-	-	1,389.73
- Commercial papers	-	-	2,442.16	-	-	2,288.73
Lease Liabilities	-	-	2,493.45	-	-	-
Trade Payables	-	-	11,468.79	-	-	17,133.37
Deposits from Consumers	-	-	15,436.10	-	-	14,451.63
Derivative Liability	79.51	-	-	12.52	-	-
Others	-	-	3,255.26	-	-	2,915.91
Total	79.51	-	74,161.64	12.52	-	62,692.45

38.B. Fair value hierarchy:

This section explains the judgements and estimates made in determining the fair value of the Financial Assets and Financial Liabilities that are recognised and measured at fair value and amortised cost. To provide an indication about the reliability of the inputs used in determining fair value, Group has classified its Financial Assets and Financial Liabilities into the three levels prescribed under the accounting standard. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. An explanation of each level is provided under Significant Accounting Policy.

(₹ / Crore)

	31.03.2020			31.03.2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investments						
- Investment in Equity Instruments	221.25	-	-	495.85	-	-
- Investment in Debt Instruments	5,344.86	-	-	5,083.76	-	-
- Others	-	-	-	-	0.05	-
Loans						
- Employee Loans	-	391.50	-	-	359.59	-
- Other loans	-	1,437.94	-	-	1,559.69	-
Derivative Assets	-	16.04	-	-	107.58	-
Total	5,566.11	1,845.48	-	5,579.61	2,026.91	-
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	3,435.78	-	-	3,393.49	-
- Non Convertible Debentures	-	7,640.55	-	-	-	-
- Oil Industry Development Board Loan	-	3,011.98	-	-	704.67	-
Derivative Liability	-	79.51	-	-	12.52	-
Total	-	14,167.82	-	-	4,110.68	-

38.C. Valuation techniques used to determine Fair Value:

Type	Valuation technique
Derivative instruments - forward exchange contracts	Discounted cash flow i.e. fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract.
Derivative instruments - Commodity derivatives	Fair value of commodity derivative contracts is estimated by determining the difference between the contractual price and the current forward price for the residual maturity of the contract.
Derivative instruments - interest rate swap	Discounted cash flows i.e. Present value of expected receipt/payment.
Non-current financial assets and liabilities measured at amortised cost	Discounted cash flows. The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.

39. Financial risk management:**39.A. Risk management framework**

The Corporation has established an Enterprise Risk Management (ERM) framework under the Corporation's Risk Management Charter and Policy 2007, which is embedded at the forefront of business strategies and focuses on the stronger, deeper and trust-based relationship with the stakeholders. It provides necessary support to the business to steer through the continuously evolving risk terrain through dynamic risk management approach that embraces disruption and enhances resiliency and trust. The Risk Management Steering Committee (RMSC) receives regular insights on risk exposures faced by the Corporation along with the mitigation & treatment plans, thereby enabling it to provide prompt interventions. The Board is also updated regularly on the risk assessment and mitigation procedures. Technology is enabled to support the Enterprise Risk Management processes with a focus on optimizing risk exposures and automating risk reporting across the Corporation. Reputed professional external consultants have also been engaged to establish a mechanism to bring the outside view to effectively enhance the visibility of external business risks and support the change management in the transformation of existing ERM processes.

39.B. Group has identified financial risk and categorised them in three parts viz. (i) Credit Risk, (ii) Liquidity Risk & (iii) Market Risk. Details regarding sources of risk in each such category and how Group manages the risk is explained in following notes:**39.B.1. Credit risk:**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet their contractual obligations. The risk arises principally from the Group's Receivables from Customers and so also from Investment Securities. The risk is managed through credit approval, establishing credit limits and continuous monitoring of the creditworthiness of Customers to whom the Group extends credit terms in the normal course of business. The Group recognizes a loss allowance towards Doubtful Debts by estimating its expected losses in respect of Trade Receivables, Investments and Other Receivables. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Note: Refer Note 57 regarding loans given to consumers under Pradhan Mantri Ujjwala Yojna (PMUY).

Trade receivables:

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

As at 31.03.2020, the Group's most significant Customer accounted for ` 843.34 Crore of the trade receivables (31.03.2019: ` 1,085.54 Crore).

The Group uses an allowance matrix to measure the expected credit losses of Trade Receivables that are considered good. The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) on trade receivables:

(` / Crore)

Past due	31.03.2020			31.03.2019		
	Gross carrying amount	Weighed average loss rate	Loss allowance	Gross carrying amount	Weighed average loss rate	Loss allowance
0-90 days	3,611.32	0.03%	1.25	5,398.19	0.03%	1.56
91-360 days	292.03	1.17%	3.42	273.20	2.95%	8.07
More than 360 days	210.76	83.15%	175.25	163.54	96.31%	157.51
	4,114.11		179.92	5,834.93		167.14

The movement in loss allowance on trade receivables is as follows:

	(₹ / Crore)
Balance as at 01.04.2018	133.15
Add: Loss allowance recognised	45.61
Less: Amounts written off	11.62
Balance as at 31.03.2019	167.14
Add: Loss allowance recognised	12.99
Less: Amounts written off	0.21
Balance as at 31.03.2020	179.92

The amounts written off relates to customers who have defaulted payments and are not expected to be expected to pay their outstanding balances, mainly due to economic circumstances.

Cash and cash equivalents:

The Group held cash and cash equivalents of ₹ 204.76 Crore as at 31.03.2020 (31.03.2019: ₹ 198.74 Crore). The cash and cash equivalents (other than cash on hand) are held with Scheduled banks. The Group invests its surplus funds for short duration in fixed deposit with banks, Govt. of India T-bills and liquid Schemes of Mutual Funds, all of which carry no mark to market risks as the Group is exposed only to low credit risk.

Derivatives:

The forex and interest rate derivatives are entered into with banks having an investment grade rating. Commodity derivatives are entered with reputed Counterparties in the OTC (Over-the-Counter) Market. The exposure to counter-parties are closely monitored and kept within the approved limits.

Investment in debt securities:

Investment are made in government securities or bonds which do not carry any credit risk, being sovereign in nature.

39.B.2. Liquidity risk:

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. Group has a strong focus on effective management of its liquidity to ensure that all business and financial commitments are met on time. The Group has adequate borrowing limits in place duly approved by its Shareholders and Board. Group's sources of liquidity includes operating cash flows, cash and cash equivalents, fund and non-fund based lines from banks and liquid investment portfolio. Group ensures that there is minimal concentration risk by diversifying its portfolio across instruments and counterparties. Cash and fund flow management is monitored daily in order to have smooth and continuous business operations.

(i) Financing arrangements:

The Group has an adequate fund and non-fund based lines from various banks. The Group has sufficient borrowing limits in place duly, approved by its Shareholders and Board. Domestic and international credit rating from reputed credit rating agencies enables access of funds both from domestic as well as international market. Group's diversified source of funds and strong operating cash flow enables it to maintain requisite capital structure discipline. Group diversifies its capital structure with a mix of instruments and financing products across varying maturities and currencies. The financing products include syndicated loans, foreign currency bonds, TREPS loan, commercial paper, non-convertible debentures, buyer's credit loan, clean loan etc. Group taps domestic as well as foreign debt markets from time to time to ensure appropriate funding mix and diversification of geographies.

(ii) Maturities of financial liabilities:

The amounts disclosed in the table below are the contractual undiscounted cash flow:

(` / Crore)

	Contractual cash flows					
	31.03.2020			31.03.2019		
	Upto 1 year	1-3 years	More than 3 years	Upto 1 year	1-3 years	More than 3 years
Non-derivative financial liabilities						
Borrowings and interest thereon	21,911.15	6,595.60	18,441.59	16,775.73	5,010.78	9,181.93
Trade payables	11,489.23	-	-	17,148.62	-	-
Other financial liabilities	3,246.59	-	15,436.80	2,911.98	-	14,452.14
Total	36,646.97	6,595.60	33,878.39	36,836.33	5,010.78	23,634.07
Derivative financial liabilities						
Interest rate swaps	(4.35)	-	-	(35.48)	(21.36)	-
Commodity contracts (net settled)	60.44	-	-	(48.23)	-	-
Forward exchange contracts (Gross settled)	-	-	-	-	-	-
- Inflows	-	-	-	(2,004.06)	-	-
- Outflows	-	-	-	2,008.90	-	-
Total	56.09	-	-	(78.87)	(21.36)	-

39.B.3. **Market Risk-Market Risk is further categorised in (i) Currency risk , (ii) Interest rate risk & (iii) Commodity risk:**

39.B.3.1. **Currency risk:**

The Group is exposed to currency risk, primarily on account of its repayment obligations of loans taken in foreign currency and imports, to be paid in foreign currency. The exposure is mainly denominated in U.S.Dollar. The Group has a Forex Risk Management Cell (FRMC) which actively review the forex and interest rate exposures. The Group uses generic derivative contracts to mitigate the risk of changes in foreign currency exchange rates in line with Group's forex risk management policy. The Group does not use derivative financial instruments for trading or speculative purposes.

The following are the derivative financial instrument to hedge the currency risk:

Category	Instrument	Currency	Cross Currency	31.03.2020	31.03.2019	Buy/ Sell
Hedges of recognized assets and liabilities	Forward contract	USD	INR	-	\$ 300.65 mn	Buy
				-	\$ 12.92 mn	Sell

Exposure to currency risk - The currency profile of financial assets and financial liabilities is as below:

(` / Crore)

	31.03.2020		31.03.2019	
	INR	Exposure in USD (INR terms)	INR	Exposure in USD (INR terms)
Financial assets				
Non-current investments	229.93	-	498.00	-
Current investments	5,344.86	-	5,083.76	-
Long-term loans	1,409.35	-	1,141.43	-
Short-term loans	409.86	-	850.83	-
Trade receivables	3,759.91	174.28	5,489.22	178.57
Cash and Cash Equivalents	204.76	-	198.74	-
Other Bank Balances	18.36	-	19.76	-
Others Non Current Financial Assets	6.29	-	1.67	-
Others Current Financial Assets	7,952.45	16.04	10,432.53	107.58
Exposure for assets - A	19,335.77	190.32	23,715.94	286.15
Financial liabilities				
Long term borrowings & Lease Liabilities	13,169.92	14,555.45	964.64	13,318.22
Short term borrowings	10,030.01	6,246.11	10,042.64	3,866.04
Trade Payables	7,327.99	4,140.80	10,123.99	7,009.38
Other Financial Liabilities	18,674.60	96.27	7,367.57	12.52
	49,202.52	25,038.63	38,498.81	24,206.16
Less: Foreign currency forward exchange contracts	-	-	-	1,989.92
Exposure for liabilities - B	49,202.52	25,038.63	38,498.81	22,216.24
Net exposure (Assets - Liabilities)(A - B)	(29,866.75)	(24,848.31)	(14,782.87)	(21,930.09)

The following exchange rates have been applied during the year:

INR	31.03.2020	31.03.2019
USD 1	75.67	69.16

Sensitivity analysis:

The table below shows sensitivity of open forex exposure of the Group to USD/ INR currency movement. The impact of exposure to a currency movement in the range of 1% (+/-) change, increase denoting appreciation in USD Vs. INR & vice versa is explained through the said Table. The indicative 1% movement is not directional and does not reflect management's forecast on currency movement.

Effect in INR	Impact on profit or (loss) due to 1 % increase/ decrease in currency (` / Crore)			
	Increase	Decrease	Increase	Decrease
	31.03.2020		31.03.2019	
1% movement	1%		1%	
USD	(248.48)	248.48	(219.30)	219.30

39.B.3.2. Interest rate risk:

The Group has long-term foreign currency syndicated loans with floating rate of interest, which exposes the Group to cash flow interest rate risk. The borrowings at floating rate are denominated in USD. The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under this, the Group agrees with other Parties to exchange at specified intervals (i.e. quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. The Group monitors the interest rate movement and manages the interest rate risk, based on the Group's Forex Risk Management Policy. The Group also has a Forex Risk Management Cell (FRMC) that actively reviews the forex and interest rate exposures. The Group does not use derivative financial instruments for trading or speculative purposes.

The Group's borrowings, contracted at fixed rate are carried at amortised cost. These are not impacted to interest rate risk as defined in Ind AS 107 as neither the carrying amount nor the future cash flows will fluctuate in the event of a change in market interest rates.

The derivative financial instrument used in hedging the interest rate risk is as under:

(` / Crore)

Category	Instrument	Currency	Cross Currency	31.03.2020	31.03.2019
Hedges of floating rate foreign currency loans (\$ 250 mn) (31.03.2019: \$ 500 mn)	Interest rate swaps	USD	INR	1,891.63	3,458.00

Interest rate risk exposure:

The Group's interest rate risk arises mainly from borrowings. The profile of the Group's interest-bearing financial instruments at period end is as follows:

(` / Crore)

	Carrying amount	
	31.03.2020	31.03.2019
Fixed-rate instruments		
Financial assets	5,514.08	5,267.11
Financial liabilities	24,216.94	14,181.64
Variable-rate instruments		
Financial assets	2,652.33	2,796.43
Financial liabilities	17,291.10	14,009.90

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25 basis points in interest rates at Reporting Date would have impacted profit or loss [increased/ (decreased)] by the amounts shown below. The indicative 25 basis point (0.25%) movement is directional and does not reflect management forecast on interest rate movement. This analysis assumes that all other variables, in particular, foreign currency exchange rate remaining constant.

(` / Crore)

	Impact on Profit or (loss)			
	25 bp increase	25 bp decrease	25 bp increase	25 bp decrease
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Floating rate borrowings	(29.47)	29.47	(24.06)	24.06
Interest rate swaps (notional principal amount)	4.14	(4.14)	6.94	(6.94)
Cash flow sensitivity (net)	(25.33)	25.33	(17.12)	17.12

39.B.3.3. **Commodity Risk:**

The Group's Profitability is exposed to the risk of fluctuation in prices of Crude Oil and Petroleum products in international markets. Group monitors and reduces the impact of the volatility in International Oil prices based on approved Oil Price Risk Management Policy by entering into derivative contracts in the OTC market.

The Group also has Oil Price Risk Management Committee (OPRMC) which actively reviews and monitors risk management principles, policies and risk management activities.

Category-wise quantitative break-up of Commodity derivative contracts entered into by the Group which are Outstanding as at Balance Sheet date is given below:

	Quantity (in Mn Barrels)	
	31.03.2020	31.03.2019
Crude/ Product Swaps	4.23	2.11

The sensitivity to a reasonable possible change of 10% in the price of crude/ product swaps on the outstanding Commodity derivative/ paper contracts as on Balance Sheet date would increase/ decrease the profit or loss by amounts shown below. This 10% movement is directional and does not reflect any forecast of price movement:

(` / Crore)

	Effect on Profit before Tax			
	10% Increase	10% Decrease	10% Increase	10% Decrease
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Crude/ Product Swaps	2.80	(2.80)	(13.00)	13.00

Derivatives & Hedging

The Group enters into derivative contracts for hedging purpose, to mitigate the commodity price risk, on Highly probable forecast transactions as detailed above. Effective 01 January 2020, the Corporation has applied Hedge Accounting on commodity derivative transactions entered subsequent to 01 January 2020 as per Ind AS 109 (Financial Instruments). Consequent to this a Mark to Market debit amounting to ` 24.11 Crore has been accounted in Other Comprehensive Income which will be recycled to Statement of Profit and Loss in subsequent period on settlement of respective contracts.

All these hedges are accounted for as Cash Flow Hedges.

Hedge Effectiveness:

The Corporation has established a hedge ratio of 1 : 1 for the hedging relationship as the underlying risk of the commodity forward contracts are identical to the hedged risk component. Hedge item and the hedging instruments have economic relationship as the terms of the commodity forward contracts match with the terms of hedge items. Considering the economic relationship and characteristics of the hedging instrument being aligned to the hedged item, the fair value changes in the hedging instrument reasonably approximates the fair value changes in the hedged item (in absolute amounts).

Source of Hedge Effectiveness:

The Group has identified the following sources of hedge ineffectiveness which are not expected to be material:

- Counterparty Credit Risk impacting the fair value of the hedge instrument and hedge item.
- Difference in the timing of the cash flows of the hedged items and the hedge instruments
- Different indexes used to hedge risk of the hedged item.
- Changes to forecasted amounts of cash flows of hedged items and hedging instruments.

Disclosures of effects of Cash Flow Hedge Accounting:

The Group has applied Hedge Accounting prospectively for the highly probable forecast transactions as stated above, entered after 01 January 2020. Consequently, disclosure is made only for the transactions designated for Hedge Accounting.

The Group is holding the following derivative contracts:

(` / Crore)

As at March 31, 2020	Maturities					Total
	Less than 1 Month	1-3 Months	3-6 Months	6-12 Months	More than 12 Months	
Commodity Forward Contracts						
Nominal Volume (Quantity in Mn Barrels)	-	0.45	0.38	0.15	-	0.98
Nominal amount (₹ / Crore)	-	24.06	15.85	10.47	-	50.38

The Impact of Hedging Instruments in Balance sheet is as under:

(` / Crore)

As at March 31, 2020	Commodity forward contract- Margin Hedging
Nominal Amount	50.38
Carrying Amount	(24.11)
Line item in Balance sheet that include Hedge Instrument	Other Financial Assets/ Other Financial Liabilities

The Impact of Cash flow Hedge in the statement of Profit and Loss and Other comprehensive Income (OCI):

(` / Crore)

As at March 31, 2020	Highly Probable Forecast Transaction
Hedging Gain/ (Loss) recognised in OCI*	(24.11)
Income tax on Above	6.07
Net amount recognised in Cash flow Hedge Reserve	(18.04)
Line item in the Statement of Profit and Loss that includes the reclassification adjustment	Revenue/ Purchases

* The Corporation expects that the amount of Loss recognised in cash flow hedge reserve through Other comprehensive income (OCI) will be recovered in future period through gains in underlying transactions.

39.B.3.4. Price risk:

The Group's exposure to equity investment has price risk. Such investments are designated at fair value through Other Comprehensive Income, as these investments are held for long-term strategic purposes.

Sensitivity

The table below summarises the impact of increase/ decrease in price:

	Equity Instruments through OCI (In ` Crore)			
	1% Increase	1% Decrease	1% Increase	1% Decrease
	31.03.2020		31.03.2019	
Equity Investment in Oil India Ltd.	2.21	(2.21)	4.96	(4.96)

39.B.3.5. Offsetting:

The financial instruments that are otherwise eligible for offset and other similar arrangements but are not offset, as at period end. The column 'net amount' shows the impact on the Group's balance sheet if all set-off rights are exercised.

(` / Crore)

	Effect of offsetting on the Balance Sheet			Related amounts not offset	
	Gross amounts (A)	Gross amounts set off in the balance sheet (B)	Net amounts presented in the Balance Sheet (C) (A-B)	Amounts not Offset (D) (Other than (B))	Net Amount (E) (C-D)
31st March, 2020					
Financial assets					
Trade Receivables	7,731.50	(3,797.71)	3,934.19	(133.22)	3,795.97
Financial liabilities					
Trade Payables	15,266.50	(3,797.71)	11,468.79	-	11,468.79
Other Current Financial Liabilities	23,385.97	-	23,385.91	(133.22)	23,247.69
31st March, 2019					
Financial assets					
Trade Receivables	6,437.72	(769.93)	5,667.79	(241.36)	5,426.43
Financial liabilities					
Trade Payables	17,903.30	(769.93)	17,133.37	-	17,133.37
Other Current Financial Liabilities	19,334.51	-	19,334.57	(241.35)	19,093.22

40. Tax expense:**(a) Amount recognised in Statement of Profit and Loss:**

(₹ / Crore)

	2019-20	2018-19
Current tax expense		
Current year	166.95	2,727.65
Changes in estimates relating to prior years	103.92	(50.62)
Deferred tax expense		
Origination and reversal of temporary differences	116.73	600.52
Changes in estimates relating to prior years	(1,652.04)	71.02
Tax expense recognised	(1,264.44)	3,348.57

(b) Amount recognised in Other Comprehensive Income:

(₹ / Crore)

	2019-20			2018-19		
	Before tax	Tax expense/(benefit)	Net of tax	Before tax	Tax expense/(benefit)	Net of tax
Items that will not be reclassified to profit or loss:						
Remeasurements of the defined benefit plans	(211.73)	53.15	(158.58)	24.28	(8.52)	15.76
Items that will be reclassified to profit or loss:						
Effective Portion of Gains/(loss) in a Cash Flow Hedge	(24.11)	6.07	(18.04)	-	-	-

(c) Reconciliation of effective tax rate

	31.03.2020		31.03.2019	
	%	(₹ / Crore)	%	(₹ / Crore)
Profit before tax		1,374.29		10,039.20
Tax as per Corporate Tax Rate	25.168%	345.88	34.944%	3,508.10
Tax effect of:				
Non-deductible tax expenses	-0.236%	(3.25)	0.773%	77.57
Tax-exempt income	0.466%	6.41	0.055%	5.48
Interest expense u/s 234B/C not deductible for tax purposes	0.000%	-	0.138%	13.90
Deduction for research and development expenditure	0.000%	-	-0.195%	(19.53)
Share in profit/ loss of equity accounted investees	8.379%	115.15	-3.234%	(324.71)
Losses of Subsidiary not available for set-off in Group profit	2.237%	30.74	0.287%	28.79
Deferred tax assets on Unrealised profits	0.619%	8.51	-0.072%	(7.27)
Deferred tax Liability on Undistributed earnings	-15.155%	(208.28)	0.457%	45.84
Adjustments recognised in current year in relation to the current tax of prior years	-112.648%	(1,548.11)	0.203%	20.40
Others	-0.836%	(11.49)	0.000%	-
Income Tax Expense	-92.007%	(1,264.44)	33.355%	3,348.57

(d) Movement in deferred tax balances

(₹ / Crore)

	Net balance 01.04.2019	Recognised in Profit or Loss	Recognised in OCI	Net balance 31.03.2020
Deferred tax Asset				
Provision for Employee Benefits	159.73	(23.99)	(0.98)	134.76
Current investments	70.37	(85.92)	-	(15.55)
Provision for Doubtful Debts & Receivables	166.98	8.06	-	175.04
Disallowance u/s 43B	89.65	(73.51)	-	16.14
Others	109.78	(8.55)	6.07	107.30
	596.51	(183.91)	5.09	417.69
Deferred Tax Liabilities				
Property, plant and equipment	7,736.71	(1,827.58)	-	5,909.13
Undistributed earnings	240.10	(240.10)	-	-
Others	15.95	(15.95)	-	-
	7,992.76	(2,083.63)	-	5,909.13
Deferred Tax (assets)/ Liabilities	7,396.25	(1,899.72)	(5.09)	5,491.44

	Net balance 01.04.2018	Recognised in Profit or Loss	Recognised in OCI	Net balance 31.03.2019
Deferred tax Asset				
Provision for Employee Benefits	156.38	10.07	(6.72)	159.73
Current investments	99.20	(28.83)	-	70.37
Provision for Doubtful Debts & Receivables	107.04	59.94	-	166.98
Disallowance u/s 43B	222.72	(133.07)	-	89.65
Others	25.67	84.11	-	109.78
	611.01	(7.78)	(6.72)	596.51
Deferred Tax Liabilities				
Property, plant and equipment	7,162.92	573.79	-	7,736.71
Undistributed earnings	236.97	3.13	-	240.10
Others	15.95	-	-	15.95
	7,415.84	576.92	-	7,992.76
Tax assets (Liabilities)	6,804.83	584.70	6.72	7,396.25

- (e) Provision for tax for earlier years written back (net) ₹ 1,548.11 Crore (2018-19: ₹ 20.40 Crore) comprise of net additional provision towards current tax of ₹ 103.92 Crore (2018-19: ₹ (50.62) Crore) and reversal of excess provision towards deferred Tax amounting to ₹ 1,652.03 Crore (2018-19: ₹ (71.02) Crore), as under:
- i) The Corporation has decided to opt for Vivad Se Vishwas Scheme, 2020 in respect of all eligible income tax disputes. Tax liability amounting to ₹ 764.87 Crore has been estimated towards which a provision of ₹ 141.86 Crore was being carried in the Books. Further, a net amount of ₹ 519.09 Crore representing excess provision no longer required due to favourable orders in tax disputes, changes in tax positions based on the management assessment and other consequential adjustments, has since been reversed. Thus, a net tax current tax expense of ₹ 103.92 Crore has been recognized in the Statement of Profit and Loss towards the aforesaid scheme.

- ii) The Corporation has opted for new tax regime and tax rate under Section 115BAA of the Income Tax Act, 1961 have been considered to determine the tax liability (net). In accordance with Ind AS 12, the carried balance of deferred tax liabilities (net) has therefore been re-measured basis tax rates that have been enacted on the reporting date. Accordingly an amount of ₹ 2,012.50 Crore being excess amount of deferred tax liability (net) has been reversed. Out of the above ₹ 324.89 Crore has been transferred to Retained earnings in 'Other Equity' since the amount was originally routed through reserves and the balance of ₹ 1,687.61 Crore net of other consequential adjustments in deferred tax asset amounting to ₹ 35.58 Crore equaling to ₹ 1,652.03 Crore has been credited to Statement of Profit and Loss.

41. Revenue from Contracts with Customers:

The revenue is recognised only upon satisfaction of performance obligation and whenever there are remaining performance obligations, the same is recognised as revenue, a) in case of amount received in advance from a Customer, when the product is delivered to the Customer, b) in case of loyalty points earned by Customer, when such points are redeemed/ expire. Such remaining obligations, termed as Contract Liability under the IND-AS 115 'Revenue Recognition' at period end together with Trade Receivable is as under:

	(₹ / Crore)	
	2019-20	2018-19
Trade Receivables	3,934.19	5,667.79
Liabilities under contractual obligation	1,046.95	915.94

During the financial year, the Group recognized revenue of ₹ 836.60 Crore (2018-19: ₹ 538.69 Crore) arising from opening unearned revenue as of April 1, 2019.

42. Disclosures as per Ind AS 116 'Leases' are as follows:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases, replacing the existing Standard Ind AS 17, to be effective from Accounting Period beginning with April 01, 2019. The adoption of Standard calls for recognition of 'Lease Liability' & 'Right-of-Use Assets', wherever the term of lease is in excess of 12 months, unless the underlying Asset is of low value. Applicable for Lessees, this Standard removes distinctive recognition, measurement and disclosure requirements between Operating Lease & Finance lease, hitherto prevalent. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of sales) are excluded from measurement. On transition to the new Standard, usage of either a full retrospective or a modified retrospective approach is permitted with options to use certain practical expedients.

The Group enters into lease arrangements for underlying assets such as land, office premises, staff quarters. The Group had chosen modified retrospective approach and accordingly comparatives for the year ending March 31, 2019 are not separately presented. Further, measurement of 'Lease Liability' & 'Right-of-Use Assets' have been made prospective as though the lease term is deemed to begin with the current Accounting Period.

The Group has used the following practical expedients:

1. Applying a single discount rate to a portfolio of leases with similar remaining lease term.
2. Not applying the transition requirements to leases for which the lease term ends within 12 months of the date of initial application i.e. April 01, 2019.

A. Maturity analysis of lease liabilities:

The amounts disclosed in the table below are the contractual undiscounted cash flow:

(₹ / Crore)

	31.03.2020
Less than one year	269.54
Between one and three years	512.92
More than three years	5,092.23
	5,874.69

B. Other Disclosures

(₹ / Crore)

Particulars	31.03.2020
a) Expense relating to short-term leases	781.06
b) Expense relating to leases of low-value assets	4.89
c) Expense relating to variable lease payments not included in the measurement of lease liabilities	4,512.62
d) income from sub-leasing of 'right-of-use'	60.95
e) Interest expense on lease liabilities	203.69
f) Total cash outflow for leases	267.75

C. The following are the carrying values of Right Of Use ("ROU") assets:

(₹ / Crore)

Particulars	Class of Underlying Asset		
	Land	Buildings	Total
Gross Block			
As on 01.04.2019 [#]	76.31	-	76.31
Right Of Use asset recognised on initial application of Standard*	2,802.17	42.23	2,844.40
Additions/ Reclassifications	570.42	12.10	582.52
As on 31.03.2020	3,448.90	54.33	3,503.23
Depreciation/ Amortisation			
As on 01.04.2019 [#]	0.45	-	0.45
For the year	158.82	14.09	172.91
As on 31.03.2020	159.27	14.09	173.36
Net Block as on 31.03.2020	3,289.63	40.24	3,329.87

[#] "Finance Lease" under the erstwhile standard Ind AS 17, has now become "Right-to-use Assets" under Ind AS 116.

* See, 'D. Transition Impact', below.

D. Transition impact

As on transition date i.e. April 01, 2019, the Group has recognized 'Right-of-use assets' of ₹ 2,844.40 Crore towards:

- The prepaid expenses of ₹ 791.21 Crore (Non-Current: ₹ 765.08 Crore; Current ₹ 26.13 Crore) with respect to leases recognised in the Balance Sheet as on March 31, 2019; and

- The lease liability of ₹ 2,053.18 Crore (Non-Current: ₹ 1,978.99 Crore; Current ₹ 74.19 Crore) is recognised on transition date for leases previously classified as operating lease with the exception of short-term leases and leases of low-value underlying assets as under:

(₹ / Crore)

Particulars	
Operating lease commitments at March 31, 2019	2,777.2
<u>Adjustment for:</u>	
Effect of discounting (using weighted average incremental borrowing rate at 8.69%)	(311.15)
In-eligible GST on Operating Lease commitment not considered in lease Liability	(205.82)
Net effect on account of restatement of Liability	(829.94)
Amortization of Prepaid Operating Leases included in 'Lease commitments'	(499.11)
Lease Recognised on implementation of Ind AS 116	1,722.08
Total lease liabilities at April 1, 2019	2,053.18

The nature of expenses in respect of certain leases hitherto classified under "Lease Rental" has been rechristened to "Depreciation and amortisation expense" and "Finance Cost", thus, not comparable with the previous year.

Pursuant to the adoption of this standard, had the leases been accounted for as per erstwhile standard, the 'Depreciation and amortisation Expenses' would be lower by ₹ 172.34 Crore, 'Finance Cost' would be lower by ₹ 201.72 Crore and 'Other Expenditure' would be higher by ₹ 249.22 Crore. Net decrease in profit before tax on account of implementation of Ind AS 116 during the current financial year is ₹ 124.84 Crore.

43. Earnings per share (EPS):

Basic EPS is derived by way of dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year, whereas Diluted EPS factors the effects of all dilutive potential ordinary shares.

(₹ / Crore)

	2019-20	2018-19
Profit attributable to equity holders for basic and diluted earnings per share (A)	2,638.73	6,690.63
Weighted average number of shares for basic and diluted earnings per shares (B)	1,52,38,22,625	1,52,38,22,625
Basic and Diluted Earnings per Equity Share (₹) (A/B)	17.32	43.91

44. Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Group's debt to equity ratio, used for monitoring capital management is as follows:

(₹ / Crore)

	31.03.2020	31.03.2019
Long Term Borrowings (refer note # 21)	27,725.37	14,282.86
Total Equity (refer note # 19 and 20)	30,980.62	30,400.66
Debt to Equity ratio	0.89	0.47

45. Dividends

(₹ / Crore)

	31.03.2020	31.03.2019
(i) Dividends paid during the year		
Final dividend per fully paid share for the year ended 31.03.2019: ₹ 9.40 (31.03.2018: ₹ 2.50). This amount includes Dividend distribution tax of ₹ 294.43 Crore (31.03.2018: ₹ 78.31 Crore).	1,726.82	459.27
Interim dividend per fully paid share for the year ended 31.03.2020: ₹ NIL (31.03.2019 ₹ 6.50). This amount includes Dividend distribution tax of ₹ NIL Crore (31.03.2019: ₹ 203.60 Crore).	-	1,194.08
(ii) Dividends to be paid, not recognised at the end of the reporting period		
The Board have recommended a final dividend of ₹ 9.75 per fully paid equity share (31.03.2019 - ₹ 9.40), subject to the approval of shareholders in the ensuing annual general meeting.	1,485.73	1,432.39
Dividend distribution tax on above	-	294.43

- 46.** (a) Inter-Oil Company transactions are reconciled on a continuous basis. However, year end balances are subject to confirmation/ reconciliation which is not likely to have a material impact.
- (b) Customer's accounts are reconciled on an ongoing basis and such reconciliation is not likely to have a material impact on the outstanding or classification of the accounts.
- 47.** To the extent Micro and Small Enterprises have been identified, the outstanding balance, including interest thereon, if any, as at balance sheet date is disclosed on which Auditors have relied upon:

(₹ / Crore)

Particulars	31.03.2020		31.03.2019	
	Liability towards Capital Expenditure	Trade Payables	Liability towards Capital Expenditure	Trade Payables
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:				
- Principal	339.55	113.75	342.61	83.96
- Interest	-	-	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:				
- Principal	-	-	-	-
- Interest	-	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

48. Related Party Disclosure:**A. Name of the Related Party and the nature of the relationship:****1. Holding Company, Subsidiaries, Jointly controlled entities and Associates (Govt. related entities, except otherwise mentioned):****(a) Holding Company**

- i. Oil & Natural Gas Corporation Ltd.

(b) Subsidiaries

- i. HPCL Biofuels Ltd.
- ii. Prize Petroleum Company Ltd. (PPCL)
- iii. Prize Petroleum International Pte. Ltd. (a wholly owned subsidiary of PPCL)
- iv. HPCL Middle East FZCO

(c) Jointly controlled entities

- i. HPCL Rajasthan Refinery Ltd.
- ii. Bhagyanagar Gas Ltd.
- iii. Petronet MHB Ltd.
- iv. Mumbai Aviation Fuel Farm Facility Pvt. Ltd.
- v. Godavari Gas Pvt. Ltd.
- vi. Aavantika Gas Ltd.
- vii. Ratnagiri Refinery & Petrochemicals Ltd.
- viii. Ujjwala plus foundation
- ix. HPOIL Gas Pvt. Ltd.
- x. IHB Pvt. Ltd. (incorporated on 09th July 2019)

(d) Jointly controlled entities (Other than Govt. related entities)

- i. HPCL-Mittal Energy Ltd.
- ii. Hindustan Colas Pvt. Ltd.
- iii. South Asia LPG Company Pvt. Ltd.
- iv. Petronet India Ltd. (in process of voluntary winding up w.e.f. 30th August 2018)
- v. HPCL Shapoorji Energy Pvt. Ltd.

(e) Associates

- i. GSPL India Gasnet Ltd.
- ii. GSPL India Transco Ltd.
- iii. Mangalore Refinery and Petrochemicals Ltd.

(f) Fellow Subsidiaries

- i. ONGC Mangalore Petrochemicals Ltd.
- ii. ONGC Petro Additives Ltd.

2. Key Management Personnel

- i. Shri Mukesh Kumar Surana, Chairman and Managing Director
- ii. Shri Pushp Kumar Joshi, Director - Human Resources
- iii. Shri Vinod S. Shenoy, Director - Refineries
- iv. Shri R. Kesavan, Director - Finance (effective 05th September 2019)
- v. Shri Rakesh Misri, Director - Marketing (effective 17th October 2019)
- vi. Shri S. Jeyakrishnan, Director - Marketing (upto 30th June 2019)
- vii. Shri R. Kesavan, Chief Finance Officer
- viii. Shri V. Murali, Company Secretary

3. Independent Directors

- i. Shri Ram Niwas Jain (upto 19th November 2019)
- ii. Smt. Asifa Khan (upto 12th February 2020)
- iii. Shri G.V. Krishna (upto 12th February 2020)
- iv. Dr. Trilok Nath Singh (upto 19th March 2020)
- v. Shri Amar Sinha
- vi. Shri Siraj Hussain
- vii. Shri G. Rajendran Pillai (effective 15th July 2019)

4. Government Nominee Directors

- i. Shri Sunil Kumar (effective 30th May 2019)
- ii. Shri Subhash Kumar
- iii. Shri Sandeep Poundrik (upto 01st May 2019)

Note: The disclosure requirements in respect of transactions with 'Govt. related entities', being exempted under Ind AS 24, the rest of Related Party Disclosures (i.e. Parties named in '1(d)' above) are furnished as under:

B. Details of transactions with related parties

			(₹ / Crore)	
Nature of Transactions		2019-20	2018-19	
(i) Sale of goods				
HPCL-Mittal Energy Ltd.		132.63	112.80	
Hindustan Colas Pvt. Ltd.		482.38	414.58	
South Asia LPG Company Pvt. Ltd.		0.20	0.26	
		615.21	527.64	
(ii) Purchase of goods				
HPCL-Mittal Energy Ltd.		38,168.16	41,262.49	
Hindustan Colas Pvt. Ltd.		82.58	62.43	
		38,250.74	41,324.92	

		₹ / Crore)	
Nature of Transactions		2019-20	2018-19
(iii) Dividend income			
HPCL-Mittal Energy Ltd.	50.03	49.97	
Hindustan Colas Pvt. Ltd.	18.90	23.63	
South Asia LPG Company Pvt. Ltd.	55.00	45.00	
	123.93	118.60	
(iv) Services provided (Manpower Supply Service)			
HPCL-Mittal Energy Ltd.	0.67	0.76	
Hindustan Colas Pvt. Ltd.	2.73	3.19	
South Asia LPG Company Pvt. Ltd.	0.66	0.98	
HPCL Shapoorji Energy Pvt. Ltd.	0.30	0.46	
	4.36	5.39	
(v) Lease rental income			
HPCL-Mittal Energy Ltd.	1.20	1.20	
Hindustan Colas Pvt. Ltd.	0.26	0.24	
South Asia LPG Company Pvt. Ltd.	1.16	1.10	
	2.62	2.54	
(vi) Other Income (Services provided)			
HPCL-Mittal Energy Ltd.	18.91	22.00	
Hindustan Colas Pvt. Ltd.	3.61	6.23	
	22.52	28.23	
(vii) Others Expenses (Services availed)			
HPCL-Mittal Energy Ltd.	16.16	17.98	
Hindustan Colas Pvt. Ltd.	4.23	11.35	
South Asia LPG Company Pvt. Ltd.	91.03	83.76	
	111.42	113.09	
(viii) Investment in equity shares			
HPCL Shapoorji Energy Pvt. Ltd.	151.00	4.00	
	151.00	4.00	
(ix) Receivables as on		31.03.2020	31.03.2019
HPCL-Mittal Energy Ltd.	6.72	10.93	
South Asia LPG Company Pvt. Ltd.	0.11	0.05	
HPCL Shapoorji Energy Pvt. Ltd.	0.13	0.11	
	6.96	11.09	
(x) Payables as on			
HPCL-Mittal Energy Ltd.	1,363.04	2,403.87	
Hindustan Colas Pvt. Ltd.	29.37	27.11	
South Asia LPG Company Pvt. Ltd.	8.47	11.78	
	1,400.88	2,442.76	

C. Transactions with other Government-Controlled Entities

The Group is a Government related entity mainly engaged in the business of refining of crude oil and marketing of petroleum products. The Group also deals on regular basis with entities directly or indirectly controlled by the Central/ State Governments through its Government authorities, agencies, affiliations and other organizations (collectively referred as "Government related entities").

Apart from transactions with Corporations' group companies, the Group has transactions with other Government related entities, including but not limited to the followings:

- sale and purchase of products
- rendering and receiving services
- Leasing of assets
- depositing and borrowing money; and
- Use of public utilities

These transactions are conducted in the ordinary course of the Group's business on terms comparable to those with other entities that are not Government related.

D. Remuneration paid to Key Management Personnel (KMP)*

(₹ / Crore)

Description	2019-20	2018-19
(i) Short - Term Employee Benefits	4.28	6.14
(ii) Post - Employment Benefits	0.46	0.65
	4.74	6.79

* Remuneration to KMP has been considered from/ to the date from which they became KMP.

E. Amount due from Key Management Personnel

(₹ / Crore)

Description	2019-20	2018-19
(i) Shri Mukesh Kumar Surana	0.08	0.09
(ii) Shri Pushp Kumar Joshi	0.16	0.22
(iii) Shri Vinod S Shenoy	0.06	0.07
(iv) Shri R. Kesavan	-	-
(v) Shri Rakesh Misri	0.07	-
(vi) Shri S Jeyakrishnan	-	0.30
(vii) Shri V. Murali	0.11	0.12
	0.48	0.80

F Sitting Fee paid to Non-Executive Directors

(₹ / Crore)

Details of Meeting	Shri Ram Niwas Jain	Smt.Asifa Khan	Shri G.V. Krishna	Dr Trilok Nath Singh	Shri Amar Sinha	Shri Siraj Hussain	Shri G. Rajendran Pillai
Board	0.03	0.04	0.04	0.04	0.04	0.04	0.03
Audit Committee	0.02	-	0.02	0.02	0.02	0.01	-
Nomination & Remuneration Committee	-	0.00	-	0.00	-	0.00	-
Stakeholders Relationship Committee	-	0.01	0.01	-	-	0.01	-
Investment Committee	0.01	0.01	0.00	-	0.02	0.01	-
CSR & SD Committee	0.01	0.00	0.02	0.02	0.02	-	-
Independent Directors Meeting	-	-	-	0.00	0.00	0.00	0.00
Total Sitting Fees	0.07	0.06	0.09	0.08	0.10	0.07	0.03

49. The Group has entered into production sharing Oil & Gas exploration contracts in India in consortium with other body corporates. The details are as under:

Name of the Block	Participating Interest of Group in %	
	31.03.2020	31.03.2019
<u>In respect of HPCL</u>		
In India		
Under NELP IV		
KK- DWN-2002/2	20.00	20.00
KK- DWN-2002/3	20.00	20.00
CB- ONN-2002/3	15.00	15.00
Under NELP V		
AA-ONN-2003/3	15.00	15.00
Under NELP VI		
CY-DWN-2004/1	10.00	10.00
CY-DWN-2004/2	10.00	10.00
CY-DWN-2004/3	10.00	10.00
CY-DWN-2004/4	10.00	10.00
CY-PR-DWN-2004/1	10.00	10.00
CY-PR-DWN-2004/2	10.00	10.00
KG-DWN-2004/1	10.00	10.00
KG-DWN-2004/2	10.00	10.00
KG-DWN-2004/3	10.00	10.00
KG-DWN-2004/5	10.00	10.00
KG-DWN-2004/6	10.00	10.00
MB-OSN-2004/1	20.00	20.00
MB-OSN-2004/2	20.00	20.00
RJ-ONN-2004/1	22.22	22.22
RJ-ONN-2004/3	15.00	15.00
Under NELP IX		
MB-OSN-2010/2	30.00	30.00
Cluster - 7	60.00	60.00
<u>In respect of PPCL</u>		
In India		
SR ONN 2004/1	10.00	10.00
AA ONN 2010/1	20.00	20.00
Sanganpur Field	50.00	50.00
Outside India		
Yolla Field (Australia) Licence T/L-1	11.25	11.25
Trefoil Field (Australia) Permit T/18P	9.75	9.75

a) In respect of HPCL

- (i) The block CB-ONN-2002/3 was awarded under NELP IV bidding round and the production sharing contract was signed on 06.02.2004. The exploration Minimum Work Program has been completed. Production from SE#3/4 wells of the Block is in progress, which had started during FY 2017-18. The share of the assets, liabilities, income and expenditure is considered based on the Management certified financials for the FY 2019-20.
- (ii) In respect of Cluster - 7, the matter is under litigation (refer Note No.52.1). The share of the assets, liabilities, income and expenditure is considered based on the Management Certified financials for FY 2019-20.
- (iii) Other than (i) & (ii) above, the remaining blocks are in the process of relinquishment/ under relinquishment and the share of the assets, liabilities, income and expenditure, if any, is considered based on information received from these blocks.

b) In respect of PPCL
1.1. ONGC Onshore Marginal Fields

The Company was awarded Service Contracts dated 28th April, 2004, for development of ONGC's Hirapur, Khambel and West Bechraji onshore marginal oil fields.

The Company executed Agreements for development of Hirapur, Khambel and West Bechraji onshore marginal fields with Valdel Oil and Gas Private Limited (VALDEL) with equal share in the Service Contracts. The Service Contracts in respect of Khambel and West Bechraji had been terminated in February, 2009 by ONGC and the Service Contract with respect to Hirapur field is operating currently. The Company's share of assets and liabilities as at 31st March 2020 and the Income and expenditure for the year in respect of above joint venture is as follows:

(` / Crore)		
Particulars	2019-20	2018-19
A. Property, Plant & Equipment (Gross)	9.99	9.98
B. Intangible asset under development	1.36	1.36
C. Other Net Non-Current Assets	0.24	0.03
D. Net Current Assets (*)	3.45	1.58
E. Income	0.83	0.91
F. Expenditure	1.61	1.22

(*) Includes receivable from joint venture amounting to ` 2.74 Crore (2018-19: ` 1.57 Crore.).

1.2. Sangapur Field

The Company acquired 50% participating interest in Sangapur field from M/s Hydrocarbon Development Company Pvt. Ltd. (HDCPL) effective 1st September, 2004. Accumulated amount prior to acquisition of Sangapur field amounting ` 1.18 Crore have been included in Sangapur field Assets. The Company has accounted its proportionate share in the Sangapur field based on estimated un-Audited accounts as at 31st March, 2017.

In FY 2014-15, the operator of the block M/s HDCPL has committed default in the payment to its contractor. The petition was filed by contractor ETA Star Golding limited for non-payment of its invoices by M/s HDCPL in their another asset wherein Bombay High Court vide order dated 14th Nov, 2014 in Company Petition 550 of 2013 had passed order for appointment of liquidator for assets and business of Company M/s HDCPL. However, as per Production Sharing contract (PSC), the ownership of underlying hydrocarbon lies with GoI, hence Sangapur field was not

attached and operations in the field were continued. Further, MoP&NG vide its letter dated June 02, 2017 has terminated the PSC and all operations in the field were called off. Since the appointment of official liquidator, the bank account of HDCPL were seized, HDCPL has neither raised any invoice to IOCL for transfer of crude nor raised any cash call to PPCL for operation in the field. The payment of Royalty and Cess to concerned authorities are also pending since then.

Said order of Bombay High Court was challenged by HDCPL before its Division Bench and is still pending before the Court. In the meantime, HDCPL had initiated an arbitration proceeding against MoPNG for termination of PSC. However, PPCL is not a part of it. Under Section 9 of Arbitration and Conciliation Act, Directorate General of hydrocarbon (DGH) on behalf of MoP&NG has initiated proceeding for possession of the field.

MoP&NG vide its letter dated June 02, 2017 has terminated the PSC. Accordingly, Company had created a 'Provision for Write-off of Sangapur Assets' of ` 6.65 Crore in FY 2017-18 (FY 19-20 - NIL). The Company's share of assets and liabilities as at 31st March 2020 and the Income, expenditure for the year in respect of above joint venture is as follows:

(` / Crore)		
Particulars	2019-20	2018-19
A. Property, Plant & Equipment (Gross)	-	-
B. Other Net Non-Current Assets	(0.02)	(0.02)
C. Net Current Assets (*)	(0.10)	(0.10)
D. Income	-	-
E. Expenditure	-	-

(*) Includes payable to joint venture amounting to ` 0.04 Crore (2018-19: ` 0.04 Crore).

1.3. ONGC Offshore Marginal Fields (Cluster-7)

The Company along with Consortium member, M/s Hindustan Petroleum Corporation Limited (HPCL) (PI - 60%) and M/s M3nergy (PI - 30%) was awarded a Contract vide letter of award dated 31st March, 2006 for the development of ONGC's offshore marginal Oilfields viz. B -192, B -45 and WO - 24. The Service Contract for Cluster-7 was signed on 27th September, 2006 between ONGC and Consortium members. The Company is the Executing Contractor and its participating interest (PI) is 10%. The said Service Contract was terminated by ONGC. Subsequently, HPCL/PPCL started arbitration proceedings against M3nergy which are still in progress, hence the joint bank account has not been closed on the advise of the legal department- HPCL.

1.4. SR - ONN - 2004/ 1 (South Rewa Block):

The Company along with Consortium member M/s Jaiprakash Associates Limited (PI - 90%) was awarded PSC for the SR-ONN-2004/1 block vide letter dated 12th February, 2007 of Ministry of Petroleum & Natural Gas (MOP & NG) under NELP - VI round. The Company is the executing contractor and its PI is 10%. The PSC was signed on 02nd March, 2007.

Consortium has proposed to relinquish the block effective from 23rd October, 2014 and Operating Committee Resolution (OCR) for relinquishment of the block has been submitted to Directorate General of Hydrocarbon (DGH). DGH vide its letter dated Feb. 05, 2018 has communicated that the Block stands relinquished with effect from 23.10.2014 subject to the compliance of PSC and the P&NG rules.

The South Rewa Block has standing inventory of ` 3.76 Crore in which the company has share of 10%. The company is in the process of carrying out elaborate valuation of the inventory for further disposal. The same has been recorded at cost.

The Company's share of assets and liabilities as at 31st March, 2020 in respect of above joint venture is as follows:

(₹ / Crore)		
Particulars	2019-20	2018-19
A. Property, Plant & Equipment (Gross)	0.00	0.00
B. Intangible asset under development	-	-
C. Other Net Non-Current Assets	0.01	0.01
D. Net Current Assets (*)	3.07	3.08
E. Expenditure	0.00	0.00

(*) Includes receivables from joint venture amounting to ₹ 2.70 Crore (2017-18: ₹ 2.70 Crore)

2. Estimated Hydrocarbon Proven Reserves as on 31st March, 2020 in the Oil fields as follows:

a) Domestic Operations (Hirapur - On-shore Marginal Fields)

Particulars	2019-20		2018-19	
	MM BBLs	MMT	MM BBLs	MMT
Recoverable Reserves (*)	2.13	0.286	2.14	0.288

(*) The Company Share is 50% of total.

b) International Operations (Yolla Field, Australia - License T/L 1 - Offshore Field)

Particulars	2019-20	2018-19
	MM BoE	MM BoE
Recoverable Reserves (*)	1.237	1.609

(*) For respective share of the Company

3. Quantitative Particulars of Petroleum:

Total Dry Crude Production	2019-20	2018-19
	BoE	BoE
Hirapur Field (*)	14,101	15,633
Yolla Field (T/L1) Australia	2,87,559	4,29,541
Total Dry Crude Production	3,01,660	4,45,174

50. Considering the Government policies and modalities of compensating the oil marketing companies towards under-recoveries, future cash flows have been worked out based on the desired margins for deciding on impairment of related Cash Generating Units. Since there is no indication of impairment of assets as at Balance Sheet date as per the assessment carried out, no impairment has been considered. In view of assumptions being technical, peculiar to the industry and Government policy, the auditors have relied on the same.

- 51.** During the financial year 2019-20, Group has spent ` 182.24 Crore (2018-19: ` 159.81 Crore) towards Corporate Social Responsibility (CSR) as against the budget of ` 182.13 Crore (2018-19: ` 158.86 Crore):

(` / Crore)

Head of Expenses	2019-20	2018-19
1 Promoting Education	39.58	29.93
2 Promoting Health Care	25.03	12.75
3 Empowerment of Socially and Economically Backward groups	6.64	2.33
4 Promotion of Nationally recognized and Para-Olympic Sports	0.88	0.78
5 Imparting Employment by Enhancing Vocation Skills	41.27	20.23
6 Swachh Bharat Abhiyaan	27.22	56.82
7 Environment Sustainability	36.80	34.21
8 Others	4.82	2.76
	182.24	159.81

Amount spent during the Financial year 2019-20 on:

(` / Crore)

Details	In cash	Yet to be paid in cash	Total
(i) Construction/ Acquisition of an assets	-	-	-
(ii) On purpose other than (i) above	162.69	19.55	182.24

Amount spent during the Financial year 2018-19 on:

(` / Crore)

Details	In cash	Yet to be paid in cash	Total
(i) Construction/ Acquisition of an assets	-	-	-
(ii) On purpose other than (i) above	154.19	5.62	159.81

52. Contingent Liabilities and Commitments*:

(` / Crore)

I. Contingent Liabilities	31.03.2020	31.03.2019
A. Disputed demands/ claims subject to appeals/ representations filed by the Group		
i. Income Tax	2.17	138.84
ii. Sales Tax/ Octroi	1,887.20	2,188.91
iii. Excise/ Customs	519.01	541.39
iv. Land Rentals & Licence Fees	224.97	219.48
v. Others	87.37	26.21
	2,720.72	3,114.83
B. Disputed demands/ claims subject to appeals/ representations filed against the Group		
i. Income Tax	3.11	1.18
ii. Sales Tax/ Octroi	11.36	18.31
iii. Excise/ customs	328.36	70.89
iv. Employee Benefits/ Demands (to the extent quantifiable)	212.88	258.55
v. Claims against the Group not acknowledged as Debts (refer note 52.1)	559.78	464.91
vi. Others	293.68	294.45
	1,409.17	1,108.29

* contingent Liabilities considered as 'remote' as per Ind AS 37 are not included.

(₹ / Crore)

	31.03.2020	31.03.2019
II. Guarantees given to others	1,662.62	1,761.03

(Includes ₹ 791.51 Crore (31.03.19: ₹ 596.94 Crore) towards share of jointly controlled entities and associates)

(Includes ₹ 276.25 Crore (31.03.19: ₹ 252.50 Crore) towards share of jointly controlled operations)

52.1. The Group with a Participating Interest (PI) of 70% along with M/s M3nergy Sdn. Bhd (M/s M3nergy) (PI-30%) were awarded service contract in March, 2006 for development of ONGC's offshore marginal oilfields of cluster-7. PPCL was the executing contractor. Parties provided necessary Bank Guarantees to ONGC. Since M/s M3nergy could not meet their contractual obligations, the contract was terminated by ONGC and Bank guarantees were forfeited. The Group demanded the refund of the monies forfeited towards encashment of Bank Guarantee along with other claims from M/s M3nergy. A counter claim of 42.60 Million USD equivalent to ₹ 322.33 Crore (42.60 Million USD @ Exchange rate of 1 USD = ₹ 75.665) was made by M3nergy on termination of such service contract. The matter was referred to Arbitration.

The Arbitral Tribunal passed 3 Awards. The 1st Partial Award, the 2nd Partial Award and the Final Award. All three were in favour of the Group. The 1st partial arbitration award held that M3nergy has committed breach of the contract and hence their claims were disallowed and the Arbitral Tribunal held that Group is entitled for damages, which will be quantified later. The 2nd Partial Award dated 27/09/2017 allowed 2 claims of the Group, viz., (1) A claim of USD 91.3 million (equivalent INR 444.44 Crore) towards loss of profit (by a majority Award) and (2) a claim of recovery of damages by way of money lost due to encashment of Bank Guarantees of ₹ 41.60 Crore (by a unanimous Award). Both amounts were allowed with interest as specified.

All three Awards were challenged by M3nergy before the Bombay High Court in the previous year. Hence, Group filed applications for (a) Mareva Injunction and (b) Enforcement of the Award before the Courts in Malaysia. By Orders dated 10th January, 2019 the Bombay High Court set aside all partial Arbitration Awards holding that there was no concluded Arbitration Agreement. As the Awards were set aside, on 28.02.2019 the Malaysian High Court at Kuala Lumpur allowed the application of M3nergy to set aside the enforcement order with liberty to file fresh proceedings, if the Group succeed later. Meanwhile, Group have filed Appeals against the setting aside order before the Division Bench (DB) of the Bombay High Court. After hearing, on 16th of October, 2019 the Bombay High Court set aside the Single Judge's Order and remanded all the 3 matters back to the Single Judge of the High Court, to decide the matter afresh on merits. This Order was challenged by M3nergy before the Supreme Court by an SLP which, after brief arguments, was dismissed as withdrawn on 31st January 2020. The matter is to come up for hearing before the Single Judge of High court to decide the matter afresh on merits. As a result, the award amount which is approximate ₹ 444.45 Crore (91.30 Million USD @ exchange rate of ₹ 48.68 for a US Dollar prevailing on January 6, 2009 plus ₹ 41.60 Crore) and interest thereon has not been recognized on a conservative basis. Similarly, the claim raised by M3Energy is also not included above.

52.2. In respect of PPCL

Company was awarded an Exploration block AA ONN 2010/1 in Tripura under NELP IX in consortium with ABG Energy Ltd. (ABG). The Product Sharing Contract (PSC) was signed with Government of India (GOI) by the consortium on August 30, 2012. Company has 20% PI (Participating Interest) and ABG 80% PI. As per the Joint Bidding agreement, ABG will carry Company during the exploration phase i.e. Company's share of 20% expenditure during exploration phase shall be borne by ABG. In case of any discovery, 10% of Company's share paid by ABG will be recovered by them out of profit petroleum and 10% will be paid by them anyway. As per discussions before signing of PSC and written confirmation, ABG was to submit back up guarantee to Company to enable Company to submit bank guarantee to GOI for their share of 20%. The value of bank guarantee to be submitted by ABG to Company is USD 1.801 Million. ABG did not submit bank guarantee of their 80% share by due date to GOI. Also since back up guarantee was not submitted by ABG to Company, Company also could not submit the bank guarantee for their 20% share to GOI.

In view of non-submission, GOI terminated the PSC dated 30th August 2012 vide letter dated 15th October 2013 and has imposed liquidated damages of USD 9,142,500 vide letter dated 06th Feb 2015 as per Article 5.6 of PSC. Company has kept ABG on notice that it is their responsibility to pay the entire quantum of liquidated damages, including the share of Company, if Company is compelled to pay its share of liquidated damages by the GOI, and if such payment is made, then company will have to claim this money from ABG. Company had invoked arbitration against ABG in the matter on 10th October 2016. After appointment of arbitrator on behalf of ABG by Delhi High Court Order dated 22nd September 2017, three-member tribunal has been constituted. The first preliminary sitting of the Arbitral Tribunal was held at New Delhi on 06.04.2018. On 30.10.2019 Arbitral Tribunal has passed award for an amount of USD 18,01,000/- with interest in favor of PPCL along with costs of proceedings subject to the condition that on receipt of the amount by PPCL from ABG, the said amount shall be passed on by PPCL to GOI within a period of three months from the date of receipt of the amount.

52.3. In respect of HBL:

- a) **EPCC Vendors - NCLT case:** In the month of Oct 2018, one of the EPCC vendor has filed petition against HBL in NCLT, Kolkata Bench under IBC Code 2016 in which party has raised a claim of ` 19.81 Crore in lieu of unpaid operational debt, interest on alleged debt and legal expenses. On 12.02.2020, order against HBL was passed by NCLT, Kolkata accepting application/ petition of Vendor and thereby NCLT appointed Insolvency Resolution Professional (IRP). However, being aggrieved, against the NCLT Kolkata Order, Management sought stay against execution of NCLT Kolkata order and Hon'ble Supreme court granted interim stay against the impugned order on 06.03.2020. The next date of hearing in the matter was 05.05.2020. However, the hearing was adjourned due to COVID-19 and next date is yet to be fixed.
- b) Central Pollution Control Board (CPCB) has vide their letter dated 28.05.2019 to HBL Sugauli unit imposed penalty of ` 0.91 Crore for the period 07.03.2018 to 04.04.2018 and 05.12.2018 to 21.04. 2019 in lieu of Environmental Compensation Cost as per the recent directives of National Green Tribunal. As the plants of HBL are in Gangetic Basin and due to National Mission for clean Ganga, CPCB is very strict in implementation of pollution norms. The Management had given various representation to CPCB for seeking waiver from the said charges, however no reprieve was allowed therefore after obtaining relevant legal opinion, the company has paid the penalty ` 0.94 lacs on 09.09.2019 and the same is reflected under Other Expenses.

(` / Crore)

III. Commitments	31.03.2020	31.03.2019
Estimated amount of contracts remaining to be executed on Capital Account not provided for	37,647.90	28,564.96

(Includes ` 15,281.67 Crore (31.03.19: ` 7,930.71 Crore) towards share of jointly controlled entities and associates)

Note: The above are made based on estimates and expected timing of outflows is not ascertainable at this stage.

(` / Crore)

	2019-20	2018-19
53. Expenditure incurred on Research and Development		
- Capital	127.27	124.48
- Revenue	130.65	129.37

(` / Crore)

	2019-20	2018-19
54. Interest on borrowings capitalized (weighted average cost of borrowing rate used for capitalization of general borrowing is 5.96% (2018-19: 6.95%).	760.16	233.51

(₹ / Crore)

	2019-20	2018-19
55. Exchange Differences adjusted in the carrying amount of Assets during the accounting period	206.79	224.22

56. In compliance of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets', the requisite information with respect to movement in balance is as under:

(₹ / Crore)

Particulars	Opening Balance as on 01.04.2019	Additions	Utilization	Reversals	Closing Balance as on 31.03.2020
Excise	0.59	-	0.50	0.09	-
Sales Tax	428.31	1.40	95.27	133.82	200.62
Service Tax	13.50	0.26	6.28	7.48	-
Others	428.75	157.56	0.88	58.84	526.59
Net	871.15	159.22	102.93	200.23	727.21

Particulars	Opening Balance as on 01.04.2018	Additions	Utilization	Reversals	Closing Balance as on 31.03.2019
Excise	0.59	-	-	-	0.59
Sales Tax	378.77	56.36	3.53	3.29	428.31
Service Tax	12.59	1.40	-	0.49	13.50
Others	467.06	109.28	9.97	137.62	428.75
Net	859.01	167.04	13.50	141.40	871.15

The above provisions are made based on estimates and expected timing of outflows is not ascertainable at this stage.

57. The loans disbursed to Consumers under Pradhan Mantri Ujjwala Yojna (PMUY), since inception till date is ₹ 2,963.75 Crore (31.03.2019: ₹ 2,589.70 Crore) and of this, the amount outstanding at period end is ₹ 1,966.21 Crore (31.03.2019: ₹ 1,937.42 Crore). The loan gets repaid out of the subsidy amount accruing to the consumer from the subsequent refill of cylinders. The overall consumer base is 2.15 Crore (31.03.2019: 1.91 Crore) and the consumption pattern of LPG is still evolving. In the backdrop of available data on consumption pattern and effort of Management to encourage usage of LPG, the population of those consumers enrolled into the scheme as of 31.03.2019 & who haven't taken refills during 2019-20 have been segregated into various age buckets, basis their consumption till date and a probability (between 100% to 50%) is assigned under each age bucket towards potential lack of usage of LPG and consequential default of loan. Accordingly, provision of ₹ 198.70 Crore towards impairment in respect of loans outstanding as on 31.03.2019 has been estimated. With regard to the population of fresh connections issued during 2019-20, even in the absence of data points on consumption pattern, a default in loan is estimated at ₹ 28.70 Crore, in the same ratio as estimated in case of loans disbursed till 31.03.2019. Computed in this manner an aggregate additional net provision of ₹ 131.69 Crore (2018-19: ₹ 95.71 Crore) has been recognized, taking the cumulative provision since inception to ₹ 227.40 Crore (31.03.2019: ₹ 95.71 Crore). The expected credit loss estimate is reasonable.

58. The Group implements various Government of India schemes such as PMUY, Direct benefit Transfer scheme wherein the amount is either received in advance or subsequently reimbursed from Central Government. At period end, there are amounts pending to be reimbursed, due, on an average, anywhere between 6 months to 3 years, amounting to ₹ 2,518.00 Crore (31.03.2019: ₹ 2,781.00 Crore). These being due from Government, no provision has been considered necessary.

- 59.** Consequent to establishing the disposal procedures of certain catalysts having precious metals, such catalysts that had earlier been charged off to Statement of Profit and Loss on consumption, are now recognized in Balance sheet, basis original cost of precious metals or Net realizable value whichever is less, having an impact of ₹ 11.31 Crore (2018-19: NIL) in the Financial Statement.
- 60.** The COVID-19 pandemic is globally inflicting high economic and human costs causing slowdown of economic activity. Specific to the Group, it did not have any significant impact on the Sales and Operations of the Group for the financial year 2019-20, though it impacted the profitability to a large extent, consequent upon a part of inventory holding on reporting date that needed to have been valued at net realizable value at which the same is either sold or is expected to be sold, thereby even lower than cost. Being essential commodity, there have been no major disruption in our supply chain during the lockdown period of last few days of March 2020.

Moving into financial year 2020-21, the sourcing of Crude Oil imports do not have any major disruption neither there is suspension or closure of Refining Operations though the situation called for regulated production. The finished product inventory are managed and the market requirements of the products are met. Thus, by and large, supply side disruptions are minimal. Whereas, on demand side, there have been slow down in financial year 2020-21, especially in April & May 2020. The impact assessment of pandemic is a continuing process given the uncertainties associated with its nature and duration. In the assessment of management, the disruption on account of COVID-19 could have near term impact, the situation would demand constant management attention and with the phased opening up of various sectors of economy, impact of Government economic initiatives etc. the operations could gradually move back towards normalcy. Thus the Group, using the principles of prudence in applying judgements and estimates, expects no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets, investments, loans, trade receivable etc. On the Capex front, the Group expects to go ahead with the same with possible time extension and cost escalations in few cases. The Group has adequate fund based limits with consortium as well as non-consortium banks for meeting its working capital requirements. There are adequate domestic resources that could be readily tapped for raising substantial fund for meeting any working capital needs and therefore there are no liquidity concerns.

With due consideration to the requirements of the Accounting Standards, the Group has determined the write down of inventories due to drastic fall in oil prices accompanied with reduced movement in inventory and the same has been disclosed as Exceptional Items in the Financial Results having an impact of ₹ 1,002.93 Crore (Net of tax: ₹ 750.51 Crore) for the quarter and year ended Mar 2020 (F.Y. 2018-19: Nil).

- 61.** Threshold limits adopted in respect of financial statements is given below:

Threshold item	Unit of Measurement	Threshold Limit
Capitalization of spare parts meeting the definition of property plant and equipment.	₹ Lakhs	10.00
Depreciation at 100% in the year of acquisition except LPG cylinders and pressure regulators.	₹	5,000.00
Income/ expenditure pertaining to prior year (s)	₹ Crore	175.00 (2018-19: 75.00)
Prepaid expenses	₹ Lakhs	5.00
Disclosure of contingent liabilities	₹ Lakhs	5.00
Disclosure of capital commitments	₹ Lakhs	5.00 (2018-19: 1.00)

62. Segment reporting:

A. Basis for segmentation

There are no reportable segments other than downstream petroleum, as per para 13 of Ind AS 108, Operating Segments. Accordingly, basis of segmentation by the Group is as under:

- Downstream Petroleum, engaged in Refining and Marketing of Petroleum products.
- All other segments, engaged in Exploration & Production of hydrocarbons, manufacturing sugar and ethanol.

The Company's Chairman, the Chief Operating Decision Maker for the Group, periodically reviews the internal management reports and evaluates performance/ allocates resources based on the analysis of various performance indicators relating to the segments referred to above.

B. Information about reportable segments:

(₹ / Crore)

For the year ended 31.03.2020	Reportable segments				
Particulars	Downstream Petroleum	All other	Total Segments	Adjustments & Eliminations	Consolidated
Revenue					
External Customers	2,87,417.20	324.95	2,87,742.05	-	2,87,742.05
Inter-segment	1.20	42.64	43.84	(43.84)	-
Total Revenue	2,87,418.40	367.49	2,87,785.89	(43.84)	2,87,742.05
Segment profit/ (loss) (EBIT)	1,689.31	(89.26)	1,601.05	379.00	1,980.05
Interest Income/ (expenses):					
Interest income					99.120
Interest expense					(136.95)
Profit before tax and share of Profit in equity accounted investees					1,832.46
Share of profit of equity accounted investees					(436.17)
Profit before tax (PBT)					1,374.29
Income tax expense					1,164.44
Profit after Tax (PAT)					2,638.73
Other Comprehensive Income (Net of Tax)					(557.82)
Total Comprehensive Income					1,980.91
Segment assets	1,15,839.76	1,066.44	1,16,906.20		1,16,906.20
Segment liabilities	84,730.64	1,194.94	85,925.58		85,925.58
Other disclosures:					
Depreciation and amortization	3,304.40	63.74	3,370.14	(10.27)	3,369.87
Investment in equity accounted investees					8,620.82
Material non-cash items other than depreciation and amortization					960.04
Capital Expenditure					10,468.10

(₹ / Crore)

For the year ended 31.03.2019					
Particulars	Reportable segments				
	Downstream Petroleum	All other	Total Segments	Adjustments & Eliminations	Consolidated
Revenue					
External Customers	2,96,044.32	277.30	2,97,222.28	-	2,97,222.28
Inter-segment	1.39	48.83	50.22	(50.22)	-
Total Revenue	2,96,946.31	326.19	2,97,272.50	(50.22)	2,97,222.28
Segment profit/ (loss) [EBIT]	9,183.02	82.69	9,245.71	(223.17)	9,022.54
Interest Income/ (expenses):					
Interest income					872.57
Interest expenses					(795.64)
Profit before tax and share of Profit in equity accounted investees					9,109.47
Share of profit of equity accounted investees					929.73
Profit before tax (PBT)					10,039.20
Income tax expense					(3,348.57)
Profit after Tax (PAT)					6,690.63
Other Comprehensive Income (Net of Tax)					(90.60)
Total Comprehensive Income					6,604.03
Segment assets	1,06,154.24	1,192.24	1,07,346.48		1,07,346.48
Segment liabilities	75,742.65	1,203.17	76,945.82		76,945.82
Other disclosures:					
Depreciation and amortization	3,012.61	72.09	3,083.30	-	3,083.30
Investment in equity accounted investees					8,716.69
Material non cash items other than depreciation and amortization					633.73
Capital Expenditure					11,622.47

C. Geographic information

The geographic information analyses the Group's revenue and non-current assets by the country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographic selling location and segment assets were based on the geographic location of the respective non-current assets.

(₹ / Crore)

Geography	For the year ended 31.03.2020	For the year ended 31.03.2019
(i) Revenue		
India	2,81,538.67	2,94,432.19
Other Countries	6,203.38	2,790.09
Total Revenue	2,87,742.05	2,97,222.28
(ii) Non-Current Assets*		
India	77,476.55	62,029.90
Other Countries	166.26	185.48
Total Non-Current Assets	77,642.81	62,215.38

* non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising from insurance contracts

D. Information about major customers

In case of the Group, approximately 15% of the revenues are derived from customers under common control.

63. Summarised financial information for Joint Ventures and Associates

I. Summarised financial information for Joint Ventures and Associates that are material to the reporting entity as per Ind AS 112*:

(₹ / Crore)

Particulars	HMEL		MRPL	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Assets:				
Non-Current Assets	39,790.88	31,896.28	23,956.47	22,543.13
Current Assets				
Cash and Cash equivalents	1,681.30	147.60	1.80	4.67
Other Current Assets (excluding cash and cash equivalents)	7,329.93	9,692.56	5,961.25	9,902.83
Total (A)	48,802.11	41,736.44	29,919.52	32,450.63
Liabilities:				
Non-Current Liabilities				
Non-Current Financial Liabilities (excluding Trade/ Other Payables and Provisions)	27,990.70	21,172.21	12,590.82	3,935.75
Other Non-Current Liabilities	2,911.87	798.93	471.50	678.94
Current Liabilities				
Current Financial Liabilities (excluding Trade/ Other Payables and Provisions)	2,292.10	2,701.99	6,158.13	12,549.76
Other Current Liabilities	5,709.66	6,546.19	4,337.70	5,355.89
Total (B)	38,904.33	31,219.32	23,558.15	22,520.34
Net Assets included in Financial Statement of Joint Venture/ Associate	9,897.77	10,517.12	6,361.37	9,930.30
Ownership Interest	48.99%	48.99%	16.96%	16.96%
Carrying amount of Interest in Joint Venture/ Associate	4,849.16	5,152.62	1,078.57	1,683.68
Quoted Market Value of Shares	N.A.	N.A.	686.42	2,207.85

* The information provided above is after considering adjustment due to alignment of accounting policies and inter-company eliminations.

(₹ / Crore)

Other Information:	HMEL		MRPL	
	2019-20	2018-19	2019-20	2018-19
Revenue	58,005.29	62,378.03	59,980.00	73,494.08
Interest Income	54.00	8.80	27.58	103.72
Interest Expenses	1,305.10	1,339.90	1,241.15	1,058.73
Depreciation	1,131.67	1,211.00	1,085.79	1,047.52
Income tax expenses	(361.90)	455.89	(1,359.28)	300.10
Profit/ (Loss) for the year	(148.29)	1,424.58	(3,337.69)	346.88
Other Comprehensive Income (Net of Tax)	(347.81)	(4.90)	(8.73)	(5.26)
Total Comprehensive Income for the year	(496.10)	1,419.68	(3,346.42)	341.62
Dividend Received from the material Joint Venture/ Associate	50.03	49.97	29.72	89.15

II. Details of all individually immaterial equity accounted investees:

(₹ / Crore)

	Joint Ventures		Associates	
	2019-20	2018-19	2019-20	2018-19
Carrying amount of Investment in equity accounted investees	2,745.61	1,788.15	147.48	91.24
Group's Share of Profit or Loss from Continuing Operations	189.11	175.93	(8.72)	(2.95)
Group's share in other comprehensive income	(0.07)	0.14	(0.05)	(0.01)
Group's share in Total Comprehensive Income	189.04	176.07	(8.77)	(2.96)

64. Employee benefit obligations**A. Provident Fund:**

The long term employee benefit of Provident Fund is administered through a separate Trust, established for this purpose in accordance with The Employee Provident Fund and Miscellaneous Provisions Act, 1952. The Group's contribution to the Provident Fund is remitted to this trust based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. During the year, the Group has recognized ₹ 146.30 Crore (2018-19: ₹ 148.44 Crore) as Employer's contribution to Provident Fund in the Statement of Profit and Loss. Under the Statute, the shortfall, if any, in the interest obligation, in comparison to minimum rate of return, declared by Government of India will have to be made good by the Employer and therefore, for the financial year 2019-20, an amount of ₹ 10.04 Crore (2018-19: NIL) has been provided and charged to Statement of Profit and Loss. The shortfall has arisen primarily due to default over interest obligations on Non-convertible Debentures of certain Companies wherein the Trust has made its investments at a time when these Companies were having highest credit rating. In anticipation of probable principal default as well in these NCDs amounting to ₹ 243 Crore, basis best available estimate, the Provident Fund Trust has marked down the investments by 70% in its Books to reflect the true & fair valuation. Correspondingly, considering the Employer's obligation to make good the loss in value of these investments under the Provident Fund regulations, the Company determined its probable liability in the future amounting to ₹ 170.10 (2018-19: NIL), which has been provided during the year and charged to Statement of Profit & Loss.

The present value of benefit obligation at period end is ₹ 4,372.13 Crore (31.03.2019: ₹ 4,082.85 Crore). The fair value of the assets of Provident Fund Trust as of Balance Sheet date is greater than the present value of benefit obligation.

B. Superannuation Fund

The Group has Superannuation - Defined Contribution Scheme (DCS) maintained by 'Superannuation Benefit Fund Scheme (SBFS) Trust' wherein Employer makes a monthly contribution of a certain percentage of 'Basic Salary & Dearness Allowance(DA)', out of 30%, earmarked for various Superannuation benefits. This is in accordance with Department of Public Enterprises (DPE) guidelines. These contributions are credited to individual Employee's Account maintained either with Life Insurance Corporation of India (LIC) or an optional National Pension Scheme (NPS) Account. For the financial year 2019-20, the Group has made an overall contribution of ₹ 162.89 Crore (2018-19: ₹ 181.07 Crore) towards Superannuation - DCS [including ₹ 50.76 Crore (2018-19: ₹ 20.96 Crore) to NPS] by charging it to the statement of Profit and Loss.

Further, for the financial year 2019-20, Group has made a provision of ₹ 52.15 Crore (2018-19: ₹ NIL) by charging to Statement of Profit & Loss towards increase in liabilities in case of Superannuation - Defined Benefit Scheme (DBS) determined based on actuarial valuation.

C. The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ / Crore)

Sr. No.	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance	Gratuity Unfunded
1	Present value of projected benefit obligation					
Present value of Benefit Obligation at the beginning of the period	828.66	773.83	21.32	24.31	11.51	2.25
	848.67	712.05	41.1	27.31	11.75	1.72
Interest Cost	64.30	60.20	1.59	1.02	0.85	0.15
	65.23	51.25	3.11	2.10	0.93	0.14
Current Service Cost	13.35	58.79	-	-	2.65	0.36
	14.37	56.95	-	-	2.64	0.32
Past Service Cost	-	-	-	-	-	-
	-	-	-	-	-	-
Benefit paid	(106.41)	(32.73)	(3.45)	(4.55)	(3.42)	(0.32)
	(75.71)	(43.98)	(3.97)	(5.20)	(2.43)	(0.02)
Actuarial (gain)/loss from changes in financial assumptions	42.90	106.52	0.45	0.38	0.65	0.46
	5.47	(1.94)	(0.07)	(0.15)	(0.09)	(0.03)
Actuarial (gain)/loss from changes in experience	29.46	(39.37)	(1.12)	0.09	(0.64)	0.07
	(34.36)	1.49	(5.30)	0.01	(1.42)	0.08
Present value of Benefit Obligation at the end of the period	828.66	773.83	21.32	24.31	11.51	2.27
2	Changes in fair value of plan assets					
Fair value of Plan Assets at the beginning of the period	818.26	768.30	NA	NA	NA	NA
	505.02	735.63	NA	NA	NA	NA
Interest Income	63.53	59.77	NA	NA	NA	NA
	64.98	54.60	NA	NA	NA	NA
Contributions by the employer	10.40	5.53	NA	NA	NA	NA
	342.65	8.82	NA	NA	NA	NA
Contributions by the employee	-	0.51	NA	NA	NA	NA
	-	2.84	NA	NA	NA	NA
Benefit paid	(106.41)	-	NA	NA	NA	NA
	(75.71)	-	NA	NA	NA	NA
Return on plan assets, excluding interest income	(12.36)	(83.24)	NA	NA	NA	NA
	(23.77)	(1.58)	NA	NA	NA	NA
Fair value of Plan Assets at the end of the period	818.26	768.30	NA	NA	NA	NA
3	Included in Statement of Profit and Loss					
Current Service Cost	13.35	58.79	-	-	2.65	0.36
	14.37	56.95	-	-	2.64	0.32
Past Service Cost	-	-	-	-	-	-
	-	-	-	-	-	-
Net Interest Cost	0.80	0.43	1.59	1.02	0.85	0.15
	1.15	0.66	3.11	2.10	0.93	0.14
Contributions by the employee	-	(0.51)	-	-	-	-
	-	(2.84)	-	-	-	-
Total amount recognised in Statement of Profit and Loss	14.16	58.41	1.59	1.92	3.54	0.54
	15.50	54.77	3.11	2.10	3.57	0.46
4	Remeasurements					
Return on plan assets, excluding interest income	2.36	83.24	-	-	-	-
	(23.77)	1.58	-	-	-	-
(Gain)/loss from change in actuarial assumptions - emp.	-	-	-	-	-	-
	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	42.90	106.52	0.45	0.38	0.65	0.46
	5.47	(1.94)	0.07	0.15	0.09	0.03
Experience (gain)/loss	29.46	(39.37)	(1.12)	0.09	(0.64)	0.07
	(34.36)	1.49	(5.30)	0.01	(1.42)	0.08
Change in asset ceiling, excluding amounts included in interest expense	-	-	-	-	-	-
	-	-	-	-	-	-
Total amount recognised in other comprehensive income	71.72	152.85	(0.67)	0.67	0.04	0.33
	(51.2)	1.3	(0.23)	0.16	(1.53)	0.1

D. Amount recognised in the Balance Sheet

(₹ / Crore)

	Gratuity	PRMBS	Pension	Ex-Gratia	Resettlement Allowance	Gratuity Unfunded
Present value of benefit obligation as on 31.03.2020	869.27	907.51	18.78	21.92	11.67	3.32
Fair value of plan assets as on 31.03.2020	783.39	749.17	-	-	-	-
Net Liability/ (Asset) recognised in Balance Sheet	85.88	158.37	18.78	21.92	11.67	3.32

	Gratuity	PRMBS	Pension	Ex-Gratia	Resettlement Allowance	Gratuity Unfunded
Present value of benefit obligation as on 31.03.2019	826.86	773.83	21.32	24.31	11.51	2.27
Fair value of plan assets as on 31.03.2019	816.26	768.30	-	-	-	-
Net Liability/ (Asset) recognised in Balance Sheet	10.40	5.53	21.32	24.31	11.51	2.27

E. Plan assets

(₹ / Crore)

	31.03.2020		31.03.2019	
	Gratuity	PRMBS	Gratuity	PRMBS
Plan assets comprise the following:				
Insurance fund	783.39	749.17	818.26	768.30
	783.39	749.17	818.26	768.30

F. Significant estimates (actuarial assumptions and sensitivity):**F (i)** The significant actuarial assumptions were as follows:

31.03.2020	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	6.87%	6.81%	NA	NA	NA
Rate of Discounting	6.87%	6.81%	6.82%	6.59%	6.87%
Rate of Salary Increase	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Actuary has considered Indian Assured Lives Mortality Table 2006-08, being the latest unisex table issued by Institute of Actuaries of India				
Mortality Rate After Employment					

31.03.2019	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	7.76%	7.78%	NA	NA	NA
Rate of Discounting	7.76%	7.78%	7.47%	7.48%	7.76%
Rate of Salary Increase	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Actuary has considered Indian Assured Lives Mortality Table 2006-08, being the latest unisex table issued by Institute of Actuaries of India				
Mortality Rate After Employment					

F (ii) Sensitivity analysis

(₹ / Crore)

31.03.2020	Gratuity	PRMB5	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of +1% Change in Rate of Discounting	(7.82)	(39.81)	(0.63)	(0.55)	(0.76)
Delta effect of -1% Change in Rate of Discounting	8.06	139.91	0.75	0.70	0.88
Delta effect of +1% Change in Future Benefit cost inflation	-	110.35	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(110.68)	-	-	-
Delta effect of +1% Change in Rate of Salary Increase	12.68	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(15.16)	-	-	-	-
Delta effect of +1% Change in Rate of Employee Turnover	14.11	-	-	-	(0.63)
Delta effect of -1% Change in Rate of Employee Turnover	(15.93)	-	-	-	0.97

31.03.2019	Gratuity	PRMB5	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of +1% Change in Rate of Discounting	(7.14)	(87.09)	(0.77)	(0.72)	(0.70)
Delta effect of -1% Change in Rate of Discounting	19.03	109.33	0.84	0.79	0.81
Delta effect of +1% Change in Future Benefit cost inflation	-	112.08	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(98.02)	-	-	-
Delta effect of +1% Change in Rate of Salary Increase	13.34	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(15.13)	-	-	-	-
Delta effect of +1% Change in Rate of Employee Turnover	13.07	-	-	-	(0.78)
Delta effect of -1% Change in Rate of Employee Turnover	(16.86)	-	-	-	0.90

G. The expected maturity analysis of undiscounted benefits is as follows:

(₹ / Crore)

	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year
31.03.2020				
Gratuity	120.19	75.22	326.27	1,002.22
PRMB5	42.00	45.85	163.86	276.71
Pension	2.79	2.76	8.10	12.65
Ex - Gratia	4.05	3.99	11.61	17.76
Resettlement Allowance	1.31	0.72	4.16	16.29
Total	170.63	128.58	516.02	1,325.64

	(₹ / Crore)			
	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year
31.03.2019				
Gratuity	111.22	74.30	324.82	1008.67
PRMBS	35.90	42.73	131.35	263.46
Pension	3.18	3.15	9.20	14.33
Ex-Gratu	4.73	4.37	12.63	19.70
Resettlement Allowance	1.24	0.73	4.29	17.17
Total	159.03	124.98	502.36	1,323.13

H. Notes:

- I. **Gratuity:** Each employee rendering continuous service of 5 Years or more is entitled to receive gratuity amount equal to 15/26 of the eligible salary for every completed years of service subject to maximum of ₹ 0.20 Crore at the time of separation from the company. Besides the ceiling of gratuity increases by 25% whenever IDA rises by 50%. The long term employee benefit of Gratuity is administered through a Trust, established under The Payment of Gratuity Act, 1972. The Board of Trustees comprises of representatives from the Employer who are also plan participants in accordance with the plans regulation. The liability towards gratuity is funded with Life Insurance Corporation of India (LIC). Pending declaration of interest rate by LIC for the financial year, it is estimated at 8% (2018-19: 8.15%) and accounted.
- II. **Pension:** The employees covered by the Pension Plan of the Group are entitled to receive monthly pension for life. However, none of the current serving employees are covered under Pension Plan of the Corporation.
- III. **Post Retirement Medical Benefit (PRMBS):** Post Retirement Benefit medical scheme provides medical benefit to retired employees and eligible dependent family members. This long term employee benefit is administered through a Trust. The liability towards Post-Retirement Medical Benefit for employees is ascertained, yearly, based on the actuarial valuation and funded to the Trust.

During the year, there has been default over interest obligations (& default in principal obligations in a case) on Non-convertible Debentures of certain Companies amounting to ₹ 99.50 Crore, wherein the Trust has made its investments at a time when these Companies were having highest credit rating. Basis best available estimate, the Trust has marked down these investments by 70% in its Books to reflect the true & fair valuation. This diminution in these Trust Investments amounting to ₹ 69.65 Crore [2018-19: ₹ Nil], has been duly considered in the Actuarial Valuation while ascertaining the liability for the Group. The Group has provided for the above liability during the year and charged to Statement of Profit & Loss in compliance with Ind AS 19.
- IV. **Ex-gratia:** The ex-employees of Corporation are covered under the Scheme, entitling to get ex-gratia, determined based on their salary grade at the time of their superannuation. The benefit is paid to eligible employees till their survival, and thereafter till the survival of their spouse. However, none of the current serving employees are covered under this Plan.
- V. **Resettlement Allowance:** Upon superannuation from the services of the Group, there are employees who permanently settle down at a place other than the location of the last posting. Such employees are provided with resettlement allowance as per policy of the Group.
- VI. **Interest rate on funds retained in LIC:** The employees of the Corporation are entitled to certain leave as per policy. The liability of the Corporation is determined annually through actuarial valuation and funded with Life Insurance Corporation of India (LIC). Pending declaration of interest rate by LIC for the financial year, it is estimated at 8% (2018-19: 8.15%) and accounted.
- VII. **Others:** The expected return on plan assets is based on market expectation over the entire life of the related obligation. The actuarial assumption with regard to future salary escalation takes into consideration, the factors such as inflation, seniority, promotion, demand & supply in the employment market.

VIII. Figures in italics represent last year figures.

65. Previous periods figures are reclassified/ regrouped wherever necessary.

Schedule III - Additional Disclosure on Consolidated Financial Statements as on 31.03.2020 is as under:-

Name of the Entity	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 a % of Consolidated Net Assets	Amount (₹ / Crore)	As a % of Profit or Loss	Amount (₹ / Crore)	As a % of Other Comprehensive Income	Amount (₹ / Crore)	As a % of Consolidated Total comprehensive Income	Amount (₹ / Crore)
Hindustan Petroleum Corporation Limited	72.36%	22,543.67	120.00%	3,156.54	66.5%	(450.70)	133.05%	2,715.84
Subsidiaries								
Petro Petroleum Company Ltd.	1.00%	(300.75)	-1.30%	(74.71)	5.35%	(34.63)	-1.45%	(69.34)
HPCL Biofuels Ltd.	-0.11%	(34.50)	-3.34%	(85.55)	0.08%	(0.52)	-4.34%	(85.07)
HPCL Middle Fuel Refs	0.01%	5.50	-0.09%	(2.56)	-0.03%	0.25	-0.10%	(2.03)
Joint Ventures								
Amravati Gas Ref. Ltd.	0.03%	55.01	3.07%	169.07	0.01%	(0.65)	3.48%	69.01
HPCL Gas Ref. Ltd.	0.05%	58.76	-0.05%	(1.40)	0.00%	-	-0.02%	(1.40)
HPCL Refinery Ref. Ltd.	4.02%	1,209.72	0.05%	1.34	0.00%	-	0.02%	1.34
South Asia Ref. Co. Ref. Ltd.	0.35%	120.74	3.54%	67.40	-0.01%	0.08	3.72%	61.88
HPCL Petrochem Energy Ref. Ltd.	0.50%	151.53	-0.01%	(0.17)	0.00%	0.05	-0.01%	(0.24)
HPCL Petro Energy Ltd.	5.04%	4,905.79	-1.25%	(72.12)	25.30%	(170.39)	-0.22%	(202.51)
Devolved MHR, Inc.	1.43%	442.21	1.07%	44.15	0.01%	(0.05)	2.23%	44.08
Godavari Gas Ref. Ltd.	0.05%	14.53	-0.02%	(0.07)	0.00%	-	-0.02%	(0.55)
Refinery Ref. Ltd.	0.00%	0.42	0.00%	-	0.00%	-	0.00%	-
Panjab Petroleum Ref. Ref. Ltd.	0.28%	88.54	0.38%	10.01	0.00%	-	0.51%	10.01
Amravati Gas Ref. Ltd.	0.33%	115.50	3.80%	71.09	0.01%	(0.03)	1.00%	20.94
Refinery Ref. Ltd.	0.25%	88.79	0.38%	4.77	0.00%	-	0.34%	4.77
Ensign Refinery & Petrochemicals, Inc.	0.12%	36.26	-0.05%	(4.92)	0.00%	-	-0.25%	(4.92)
IHR Ref. Ltd.	0.05%	74.90	-0.05%	(1.50)	0.00%	-	-0.02%	(1.50)
Associates								
Margosa Refinery and Petrochemicals, Inc.	3.45%	1,075.57	-2.54%	(582.45)	0.22%	(1.45)	-38.77%	(1,580.87)
SSM Petrochemicals, Inc.	0.35%	97.30	-0.55%	(3.58)	0.00%	(0.01)	-0.20%	(3.57)
GSP India Ref. Ref. Ltd.	0.02%	50.21	-0.26%	(4.75)	0.01%	(0.04)	-0.24%	(4.79)
Total	100.00%	30,980.62	100.00%	2,638.73	100.00%	(657.82)	100.00%	1,980.91

FOR AND ON BEHALF OF THE BOARD

Sd/-

Mukesh Kumar Surana

Chairman & Managing Director

D N - 07464625

Sd/-

R Kesavan

Chief Financial Officer

D N - 08203116

Sd/-

V Murali

Company Secretary

Dated: March 16, 2020

Place: Mumbai

For R. Dhirendra Kumar & Associates

Chartered Accountants

Firm No. 142073W

Sd/-

Neeraj Golas

Partner

Membership No. 074389

For M. P. Chitale & Co.

Chartered Accountants

Firm No. 107551W

Sd/-

Anagha Thattai

Partner

Membership No. 105095

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries/ Associate Companies/ Joint Ventures

Part "A": Subsidiaries

(` / Crore)

Sl. No.	Particulars	HPCL Biofuels Ltd. 1	Prize Petroleum Company Ltd.* 2	HPCL Middle East FZCO 3	HPCL Rajasthan Refinery Ltd.* 4
1	Date since when subsidiary was acquired	16.10.2009	28.10.1998	11.02.2018	18.09.2013
2	Reporting currency	Rupees (`)	Rupees (`)	Arab Emirates Dirham	Rupees (`)
3	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-	-	20.60	-
4	Share capital	625.17	245.00	5.92	1,298.74
5	Reserves & surplus	(659.67)	(553.35)	(3.12)	(9.02)
6	Total assets	737.68	312.16	5.00	2,628.20
7	Total Liabilities	772.18	620.51	2.20	1,338.48
8	Investments	-	-	-	-
9	Turnover	300.23	66.14	1.46	-
10	Profit before taxation	(85.55)	(34.31)	(2.26)	1.34
11	Provision for taxation	-	-	-	-
12	Profit after taxation	(85.55)	(34.31)	(2.26)	1.34
13	Proposed Dividend	-	-	-	-
14	% of shareholding	100.00%	100.00%	100.00%	74.00%

Figures based on Consolidated Financial Statements of the Company

* Represents share of HPCL in the Company

Notes:-

- Names of subsidiaries which are yet to commence operations:
 - HPCL Rajasthan Refinery Ltd.
- HPCL Rajasthan Refinery Ltd. is considered as subsidiary as per Sec 2(87) of Companies Act, 2013
- Names of subsidiaries which have been liquidated or sold during the year - Nil

FOR AND ON BEHALF OF THE BOARD

Sd/-

Mukesh Kumar Surana

Chairman & Managing Director

DIN - 07464675

Sd/-

R Kesavan

Director Finance

DIN - 08202118

Sd/-

V Murali

Company Secretary

Date: June 16, 2020

Place: Mumbai



Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries/ Associate Companies/ Joint Ventures

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part "A"

(₹ / Crore)

Name of Joint Ventures	Hindustan Coke Pvt. Ltd.	HPCL-Nital Energy Ltd.*	South Asia LPG Co. Pvt. Ltd.	Dabonet MHE Ltd.	Bhagyanagar Gas Ltd.	Petronet India Ltd.†	HPCL Gas Pvt. Ltd.	Gedareti Gas Pvt. Ltd.
1. Latest audited Balance Sheet date	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2018	31/03/2020	31/03/2018
2. Date on which the Associates or Joint Ventures was associated or acquired	17.03.1995	12.12.2000	16.11.1999	25.06.1997	22.02.2005	25.03.1997	30.11.2018	27.02.2016
3. Shares of Joint Ventures/ Associate held by the Company on the year end								
4. %	47.25/00	3.32/33.33/20%	50/00/00%	27/1.51/32	4.55/5/00	100/00/00	60/00/00	100/00/00
5. Amount of Investment in Joint Ventures/ Associate	1.17	3.32/3.33	5/00	363.2	128.25	0.15	60.00	16.07
6. Date of holding %	50/00%	48/00%	50/00%	50/00%	24/00%	15/00%	50/00%	25/00%
7. Description of how there is significant influence	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding
8. Reason why the Joint Venture/ Associate is not consolidated	-	-	-	-	-	The Company is in the process of winding up	-	-
9. Networth attributable to Shareholding as per latest audited Balance Sheet	105.01	4,105.71	110.72	112.71	28.71	0.42	58.78	12.83
10. Profit/ Loss for the year 2019-20								
11. Considered in Consolidation	88.08	(33.12)	81.90	4.11	4.37	-	(1.73)	(0.35)
12. Not Considered in Consolidation	-	-	-	-	-	-	-	-

* Figures based on Consolidated Financial Statement of the Company

† Petronet India Ltd is in the process of voluntarily winding up as of Aug. 30, 2019. Networth presented above was per management accounts as of Aug. 30, 2019

* Represents share in HPCL in Joint Ventures/ Associates

FOR AND ON BEHALF OF THE BOARD

Sd/-

Mukesh Kumar Surana

Chairman & Managing Director

DIN - 07464675

Sd/-

R Kesavan

Director Finance

DIN - 08202118

Sd/-

V Murali

Company Secretary

Date: June 16, 2020

Place: Mumbai

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries/ Associate Companies/ Joint Ventures

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part “B”		(₹ / Crore)						
Name of Joint Ventures	Advantika Gas Ltd.	Mangalore Refinery and Petrochemicals Ltd.	HPCL Shreepurji Energy Pvt. Ltd.	Mumbai Aviation Fuel Farm Facilities Pvt. Ltd.	GSPL India Gasnet Ltd.	GSPL India Transco Ltd.	Retnagiri Refinery & Petrochemical Ltd.	IHB Pvt. Ltd.
1 Latest audited Balance Sheet date	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020
2 Date on which the Associates or Joint Ventures was associated or acquired	07.06.2006	07.07.1988	15.10.2013	06.03.2014	13.10.2011	13.10.2011	27.08.2017	09.07.2005
3 Shares of Joint Ventures/ Associate held by the Company on the year end								
4a	7,85,57,038	24,71,53,578	13,50,00,000	1,82,35,750	10,36,22,125	5,41,20,000	5,00,00,000	2,62,50,000
4b Amount of investment in Joint Ventures/ Associate	50.00	271.58	125.00	14.28	100.52	54.12	50.00	26.75
4c Extent of holding %	100.00%	15.86%	50.00%	25.00%	100%	100%	25.00%	25.00%
5 Description of how there is Shareholding significant influence	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding
6 Reason why the Joint Venture/ Associate is not consolidated	-	-	-	-	-	-	-	-
7 Networth attributable to Shareholding as per latest audited Balance Sheet ¹	16.95	1070.57	172.35	61.94	9730	50.27	36.29	24.95
8 Profit/ Loss for the year 2019-20 ²								
8a Considered in Consolidated	71.07	(568.40)	(20.7)	10.07	(7.86)	(4.75)	(4.08)	(1.70)
8b Not Considered in Consolidated	-	-	-	-	-	-	-	-

- Figures based on Consolidated Financial Statements of the Company

¹ Represents share of HPCL in Joint Venture/ Associates

Liquide Fuel Foundation was incorporated as not-for-profit joint venture company under Sec. 8 of Companies Act, 2013 during 2017-18

1 Names of joint ventures or associates which are public listed companies

a) HPCL Shreepurji Energy Pvt. Ltd.

b) Retnagiri Refinery & Petrochemicals Ltd.

c) IHB Pvt. Ltd.

2 Names of joint ventures or associates which have been liquidated or sold during the year - Nil

FOR AND ON BEHALF OF THE BOARD

Sd/-

Mukesh Kumar Surana

Chairman & Managing Director

DIN - 07464675

Sd/-

R Kesavan

Director Finance

DIN - 08202118

Sd/-

V Murali

Company Secretary

Date: June 16, 2020

Place: Mumbai



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

The preparation of consolidated financial statements of Hindustan Petroleum Corporation Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 16 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of Hindustan Petroleum Corporation Limited for the year ended 31 March 2020. We conducted a supplementary audit of the financial statements of (Annexure -I), but did not conduct supplementary audit of the financial statements of (Annexure-II) for the year ended on that date. **Further, section 139(5) and 143 (6) (b) of the Act are not applicable to (Annexure-III) being private entities incorporated in Foreign countries under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies.** This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

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

Sd/-
Tanuja Mittal
Principal Director of Commercial Audit, Mumbai

Place: Mumbai
Date: 19 August 2020

Annexure I

Audit Conducted:

(A) Subsidiaries:

1. HPCL Biofuels Ltd. (HBL)

(B) Joint Ventures

1. Bhagyanagar Gas Ltd. (BGL)
2. Petronet MHB Ltd. (PMHBL)
3. Mumbai Aviation Fuel Farming Facility Pvt. Ltd. (MAFFFL)
4. HPCL Rajasthan Refinery Ltd. (HRRL)
5. HPOIL Gas Pvt. Ltd. (HOGPL)
6. Ratnagiri Refinery Petrochemicals Limited (RRPCL)
7. IHB Private Ltd. (IHBPL)

(C) Associates

1. Mangalore Refinery and Petrochemicals Ltd. (MRPL)
2. GSPL India Gasnet Ltd. (GIGL)
3. GSPL India Transco Ltd. (GITL)

Annexure II

Audit not conducted:

(A) Subsidiaries:

1. Prize Petroleum Company Ltd. (PPCL)

(B) Joint Ventures

1. Godavari Gas Pvt. Ltd. (GGPL)
2. Aavantika Gas Ltd. (AGL) (Non-review certificate issued)

(C) Associates:

NIL

Annexure III

Audit not applicable

(A) Subsidiaries:

1. HPCL Middle East FZCO (HMEFZCO)

(B) Joint Ventures

1. HPCL Mittal Energy Ltd. (HMEL)
2. Hindustan Colas Pvt. Ltd. (HINCOL)
3. South Asia LPG Co. Pvt. Ltd. (SALPG)
4. HPCL Shapoorji Energy Pvt. Ltd. (HSEL)

(C) Associates:

NIL

Note: Ujjwala Plus Foundation (a not for profit organization formed by IOCL, HPCL and BPCL) has not been considered for consolidation of the HPCL accounts, hence not indicated above.



Annexure – X

IN-PRINCIPLE APPROVAL LETTERS OF BSE AND NSE

DCS/COMP/RM/IP-PPDI/635/22-23

February 23, 2023

HINDUSTAN PETROLEUM CORPORATION LIMITED

Petroleum House
17, Jamshedji Tata Road
Churchgate, Mumbai- 400020

Dear Sir,

Re: Private Placement of Unsecured, Listed, Rated, Taxable, Non-Cumulative, Redeemable, Non-Convertible Debentures of Rs. 1 Lakh each ("Debentures") for an amount of Rs. 800 Crore at par ("Base Issue Size") with an option to retain oversubscription of Rs. 1000 Crore ("Green Shoe Option"), aggregating to Rs. 1800 Crore ("The Issue").

We acknowledge receipt of your application on the online portal on February 22, 2023, seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time
6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31>
7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com)

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

9. Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the shelf placement memorandum, whichever ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited


Bhushan Mokashi
General Manager

PM


Raghavendra Bhat
Associate Manager



National Stock Exchange Of India Limited

Ref. No.: NSE/LIST/5987

February 22, 2023

The Company Secretary
Hindustan Petroleum Corporation Limited
Petroleum House, 17, Jamshedji Tata Road,
Churchgate, Mumbai- 400020

Kind Attn.: Mr. V. Murali

Dear Sir,

Sub.: In-principle approval for listing of Non-Convertible Debentures on private placement basis

This is with reference to your application dated February 22, 2023 requesting for in-principle approval for the proposed listing of unsecured, rated, redeemable, non-cumulative, taxable, non-convertible debentures of face value of Rs. 100000/- each (under Series I), for base issue size of Rs. 80000 lakhs with a green shoe option of Rs. 100000 lakhs, aggregating to total issue size of Rs. 180000 lakhs, to be issued by Hindustan Petroleum Corporation Limited on private placement basis. In this regard, the Exchange is pleased to grant in-principle approval for the said issue, subject to adequate disclosures to be made in the Offer Document in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, applicable SEBI Circulars and other applicable laws in this regard and provided the Company includes the following Disclaimer Clause as given below in the Offer Document after the SEBI disclaimer clause:

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). It is to be distinctly understood that the aforesaid submission or in-principle approval given by NSE vide its letter Ref.: NSE/LIST/5987 dated February 22, 2023 or hosting the same on the website of NSE in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever”

This Document is Digitally Signed



Please note that the approval given by the exchange should not in any way be deemed or construed that the draft Offer Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this draft offer document; nor does it warrant that the securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project.

Kindly also note that these debt instruments may be listed on the Exchange after the allotment process has been completed, provided the securities of the issuer are eligible for listing on the Exchange as per our listing criteria and the issuer fulfills the listing requirements of the Exchange. The issuer is responsible to ensure compliance with all the applicable guidelines issued by appropriate authorities from time to time including Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, applicable SEBI Circulars and other applicable laws in this regard.

Specific attention is drawn towards Para 1 of Chapter XV of SEBI Operational Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021. Accordingly, Issuers of privately placed debt securities in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of allotment of securities. The details can be uploaded using the following links:

<https://www.nse-ebp.com>

<https://www.nseebp.com/ebp/rest/reportingentity?new=true>

Kindly ensure compliance with SEBI Circular No. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/167 dated November 30, 2022, with respect to the timelines for listing of securities issued on a private placement basis.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/Rule/Bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

Yours faithfully,
For National Stock Exchange of India Limited

Dipti Chinchkhede
Manager

This Document is Digitally Signed