

INDEPENDENT AUDITOR'S REPORT

To the Members of HPCL-Mittal Energy Limited

Report on the Audit of the Consolidated Ind AS Financial Statements**Opinion**

We have audited the accompanying consolidated Ind AS financial statements of HPCL-Mittal Energy Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group 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 consolidated Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion



on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Adjustments made to net present value of deferred central sales tax liabilities (as described in Note 2(d) and 30 of the consolidated Ind AS financial statements)	
The Group had in previous years adjusted the undisbursed Interest Free Loan (IFL) with net present value of deferred Central Sales Tax (CST) liabilities. The Group had obtained external legal opinion to support this proposition. The revenue department initially disallowed the above adjustment, but on appeal, the matter was remanded back to the assessing officer with a direction to undertake a fresh assessment and consider the recommendations of the committee formed by the state government in this matter. Since significant judgment and estimation is involved in assessing the outcome of the matter and because of the significance of the amounts, it has been considered as a key audit matter.	Our audit procedures included the following: • Examined the underlying Deed of Assurance (DOA) and the correspondences with relevant revenue department including assessment orders, orders of the appellate authority and enquired with the Group's legal team to understand the status and updates on the matter; • Examined external legal opinions obtained by the Group in this regard and assessed appropriateness of management's position through discussions with Group's in house legal team. Assessed the competence and objectivity of the Group's experts; • Engaged specialists in assessing the possible outcome of the matter; • Assessed the adequacy of disclosures made by the Group in this regard.

We have determined that there are no other key audit matters to communicate in our report.

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

The Holding Company's Board of Directors is responsible for the other information. The other



information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.



Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- ▶ Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated Ind AS 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 management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent



auditors. 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 Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit, we report that there are no qualification or adverse remarks in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated Ind AS financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
 - (b) In our opinion, proper books of account as required by law have been kept by the Holding Company and its subsidiaries so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;



- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The observation related to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);
- (g) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements - Refer Note 33 to the consolidated Ind AS financial statements;
 - ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 11.5 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2025.



- iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose Ind AS financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose Ind AS financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v) The interim dividend declared and paid by the Holding Company incorporated in India during the year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- vi) Based on our examination which included test checks, the Holding Company along with its subsidiaries which are companies incorporated in India whose Ind AS financial statements have been audited under the Act, the Holding Company along with its subsidiaries used accounting software (SAP ECC 6.0 EHP7) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature at the application underlying database was enabled from June 4, 2024 as more particularly described in note 35 to the consolidated Ind AS financial statements. No instance of audit trail feature being tampered with was noted in respect of accounting software. Additionally, the audit trail has been preserved by the



S.R. BATLIBOI & Co. LLP

Chartered Accountants

company for transactions recorded on or after June 4, 2024 as per the statutory requirements for record retention.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Naman Agarwal

Partner

Membership Number: 502405

UDIN: 25502405BMLBTG8537

Place of Signature: New Delhi

Date: April 22, 2025



Annexure 1 referred to in paragraph 2(g) under the heading "Report on other legal and regulatory requirements" of our report of even date on the consolidated Ind AS financial statements of HPCL-Mittal Energy Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of HPCL-Mittal Energy Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated Ind AS financial statements.



Meaning of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

A company's internal financial control with reference to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

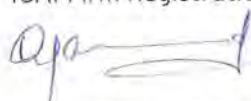
Opinion

In our opinion, the Holding company and its subsidiaries which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the Institute Chartered Accountants of India.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Naman Agarwal
Partner

Membership Number: 502405

UDIN: 25502405BMLBTG8537

Place of Signature: New Delhi

Date: April 22, 2025



HPCL-MITTAL ENERGY LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

Particulars	Notes	31 March 2025	31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	505,787	514,742
Capital work in progress	3.2	9,762	6,914
Intangible assets	4.1	464	344
Intangible assets under development	4.2	125	-
Financial assets			
Other bank balances	5.3	11,035	-
Other financial assets	5.5	1,624	1,013
Deferred tax assets (net)	13	36	12
Tax assets (net)	6	1,916	1,407
Other non-current assets	7	2,110	3,400
		532,859	527,832
Current assets			
Inventories	8	117,508	115,542
Financial assets			
Investments	5.4	-	10,178
Trade receivables	5.1	28,890	19,724
Cash and cash equivalents	5.2	4,358	18,866
Other bank balances	5.3	4,240	662
Other financial assets	5.5	482	475
Other current assets	7	4,681	5,626
		160,159	171,073
TOTAL ASSETS		693,018	698,905
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	80,411	80,411
Other equity	10	70,466	80,510
		150,877	160,921
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	11.1	270,821	275,932
Lease liabilities	34	838	524
Other financial liabilities	11.5	31,273	23,099
Provisions	12	1,174	1,156
Deferred tax liabilities (net)	13	30,661	33,270
Other non-current liabilities	14	22,922	21,456
		357,689	355,437
Current liabilities			
Financial Liabilities			
Borrowings	11.2	80,840	89,577
Lease liabilities	34	163	312
Trade payables	11.4, 2(f)		
Total outstanding dues of micro enterprises and small enterprises		397	266
Total outstanding dues of creditors other than micro enterprises and small enterprises		73,999	64,395
Other financial liabilities	11.5, 2(f)	13,122	13,180
Other current liabilities	14	14,587	11,212
Provisions	12	664	3,605
Current tax liabilities (net)	15	680	-
		184,452	182,547
TOTAL EQUITY AND LIABILITIES		693,018	698,905

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

 For S.R. Batliboi & Co. LLP
 Chartered Accountants
 Firm Registration No. 301003E/E300005

per Naman Agarwal
 Partner
 Membership No. 502405



 Place: New Delhi
 Date: 22 April 2025

 For and on behalf of the Board of Directors
 HPCL-Mittal Energy Limited
 CIN U13201PB2000PLC024126

Rajan Tandon
 Director
 DIN 01968916

Rajneesh Narang
 Director
 DIN 08188549

Prabh Das
 Managing Director &
 Chief Executive Officer
 DIN 00164799

Harak Banthia
 Chief Financial Officer

Sidhartha Tyagi
 Company Secretary
 Membership No. A 14544

 Place: New Delhi
 Date: 22 April 2025


CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

Particulars	Notes	31 March 2025	31 March 2024
Income			
Revenue from operations	16	994,994	913,305
Other income	17	2,210	2,350
Total Income		997,204	915,655
Expenses			
Cost of raw materials consumed	18	724,538	625,983
Excise duty on sale of goods		180,246	171,569
Purchase of traded goods		7,317	-
Changes in inventories of finished goods and work-in-progress	19	(6,880)	6,567
Employee benefits expense	20	7,117	6,815
Finance costs	21	28,215	28,138
Depreciation and amortisation expense	22	19,702	18,230
Other expenses	23	44,149	33,752
Total expenses		1,004,404	891,054
Profit/(loss) before tax		(7,200)	24,601
Tax expense/(credit)			
Current tax		965	-
Deferred tax charge/(credit)		(2,145)	6,166
Total tax expense/(credit)	13.1	(1,180)	6,166
Profit/(loss) for the year		(6,020)	18,435
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Re-measurement gain/(loss) on defined benefit obligations		37	28
Income tax impact	13.1	(9)	(7)
		28	21
Items that will be reclassified to profit and loss			
Effective portion of gain/(loss) on cash flow hedges (net)		(1,977)	870
Income tax impact	13.1	498	(219)
		(1,479)	651
Total other comprehensive income/(loss) for the year		(1,451)	672
Total comprehensive income/(loss) for the year		(7,471)	19,107
Earnings/(loss) per equity share in INR computed on the basis of profit/(loss) for the year	24		
Basic and Diluted (Face value INR 10 per equity share)		(0.75)	2.29

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E/E300005

per Naman Agarwal
Partner
Membership No. 502405



For and on behalf of the Board of Directors
HPCL-Mittal Energy Limited
CIN: U23201PB2000PLC024126

Rajan Tandon
Director
DIN 01968916

Rajneesh Narang
Director
DIN 08188549

Prabh Das
Managing Director &
Chief Executive Officer
DIN 00164799

Harak Banthia
Chief Financial Officer

Sidhartha Tyagi
Company Secretary
Membership No. A 14544

Place: New Delhi
Date: 22 April 2025

Place: New Delhi
Date: 22 April 2025



HPCL-MITTAL ENERGY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

(a) Equity share capital

As at 1 April 2023

Changes in equity share capital during the year

As at 31 March 2024

Changes in equity share capital during the year

As at 31 March 2025

No. million	INR million
8,041	80,411
-	-
8,041	80,411
-	-
8,041	80,411

(b) Other equity

Particulars	Reserves & Surplus		Other comprehensive Income (OCI)	Total
	Retained Earnings	Debenture Redemption Reserve	Cash Flow Hedge Reserve	
As at 1 April 2023	70,435	2,049	(4,957)	67,527
Profit for the year	18,435	-	-	18,435
Other comprehensive income/(loss) for the year - Effective portion of cash flow hedges (net of tax)*	-	-	651	651
Other comprehensive income/(loss) for the year - Re-measurement of defined benefit obligations (net of tax)	21	-	-	21
Transfer to retained earnings (note 10)	1,041	(1,041)	-	-
Interim dividend paid for financial year 2023-24 (note 38)	(6,124)	-	-	(6,124)
As at 31 March 2024	83,808	1,008	(4,306)	80,510
Profit/(loss) for the year	(6,020)	-	-	(6,020)
Other comprehensive income/(loss) for the year - Effective portion of cash flow hedges (net of tax)*	-	-	(1,479)	(1,479)
Other comprehensive income/(loss) for the year - Re-measurement of defined benefit obligations (net of tax)	28	-	-	28
Interim dividend paid for financial year 2024-25 (note 38)	(2,573)	-	-	(2,573)
As at 31 March 2025	75,243	1,008	(5,785)	70,466

* A loss after adjusting INR 27 million (31 March 2024 : gain of INR 83 million), net of taxes, recycled to consolidated statement of profit and loss.

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration No. 301003E/E300005

per Naman Agarwal
Partner
Membership No. 502405



For and on behalf of the Board of Directors

HPCL-Mittal Energy Limited

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Sidhartha Tyagi
Company Secretary
Membership No. A 14544

Place: New Delhi
Date: 22 April 2025

Place: New Delhi
Date: 22 April 2025



HPCL-MITTAL ENERGY LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

Particulars	Notes	31 March 2025	31 March 2024
A CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		(7,200)	24,601
Adjustments for:			
Unrealised foreign exchange loss/(gain) (net)		785	1,941
Unrealised loss/(gain) on currency derivative contracts (net)		1,111	51
Unrealised loss/(gain) on commodity derivative contracts (net)		(109)	12
Finance costs		26,359	26,964
Depreciation and amortisation expense		19,702	18,222
Interest income		(402)	(576)
Gain on sale of current investments (net)		(160)	(56)
Export obligation income		(1,668)	(893)
Exchange difference to the extent considered as an adjustment to borrowing cost		1,572	942
Loss/(gain) on sale/discard of property, plant and equipment/capital work in progress (net)		(138)	(35)
Liability towards vendors no longer required written back		(46)	(614)
Operating profit before working capital changes		39,806	70,559
Movement in working capital:			
(Increase)/decrease in inventories		(1,939)	(10,753)
(Increase)/decrease in trade receivables		(9,179)	3,020
(Increase)/decrease in other financial assets		(631)	(1,530)
(Increase)/decrease in other assets		386	(2,804)
Increase/(decrease) in trade payables		10,161	6,359
Increase/(decrease) in other financial liabilities		9,582	8,963
Increase/(decrease) in provisions		138	9
Increase/(decrease) in other liabilities		6,867	8,456
Cash generated from operations		55,191	82,279
Direct tax (paid)/refund (net)		(826)	708
Net cash generated from operating activities (A)		54,365	82,987
B CASH FLOW FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment and intangible assets (including capital work in progress, intangible assets under development and capital advances)		(18,366)	(27,603)
Proceeds/(investment) in short term mutual funds (net)		10,339	(10,122)
Investment in bank deposits		(15,275)	(662)
Proceeds from maturity of bank deposits		662	7,452
Interest received		301	934
Net cash (used in) investing activities (B)		(22,339)	(30,001)



HPCL-MITTAL ENERGY LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

Particulars	Notes	31 March 2025	31 March 2024
C CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from non-current borrowings (including current maturities)	11.3	38,596	128,296
Repayment of non-current borrowings (including current maturities)	11.3	(45,591)	(181,356)
Proceeds from current borrowings	11.3	550,768	454,421
Repayment of current borrowings	11.3	(561,472)	(428,315)
Payment of principal portion of lease liabilities		(316)	(256)
Dividend paid		(2,573)	(6,124)
Borrowing costs paid			
- Interest		(24,997)	(27,901)
- Others		(949)	(509)
Net cash (used in) financing activities (C)		(46,534)	(61,744)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(14,508)	(8,758)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		18,866	27,624
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		4,358	18,866

Notes:

- (i) The consolidated statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 Statement of cash flows.
(ii) Components of cash and cash equivalents included under cash and cash equivalents (note 5.2) are as under:

Balances with scheduled banks

- On current accounts (including earmarked bank balances)

- Deposits with original maturity of upto 3 months

Cash and cash equivalents (note 5.2)

1,605 5,643

2,753 13,223

4,358 18,866

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E/E300005

per Naman Agarwal
Partner

Membership No. 502405



For and on behalf of the Board of Directors

HPCL-Mittal Energy Limited

CIN: U23201PB2000PLC024126

Rajan Tandon
Director
DIN 01968916

Rajneesh Narang
Director
DIN 08188549

Prabh Das
Managing Director &
Chief Executive Officer
DIN 00164799

Harak Banthia
Chief Financial Officer

Sidhartha Tyagi
Company Secretary
Membership No. A 14544

Place: New Delhi
Date: 22 April 2025

Place: New Delhi
Date: 22 April 2025



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

1. Corporate Information

HPCL-Mittal Energy Limited ('HMEI' or 'the Company') (CIN: U23201PB2000PLC024126) was incorporated in the year 2000 under the provisions of Companies Act 2013 applicable in India, as a wholly owned subsidiary of Hindustan Petroleum Corporation Limited ('HPCL'), a Government Company. Subsequently, the Company, pursuant to a joint venture agreement entered into between HPCL and Mittal Energy Investments Pte. Limited, Singapore (a wholly owned subsidiary of Mittal Investments S.a.r.l, Luxembourg) ('Mittal Energy') became a joint venture Company with equal equity participation by HPCL and Mittal Energy. The Company is domiciled in India and is limited by shares. The registered office of the Company is located at Village Phulokhari, Taluka Talwandi Saboo, Bathinda, Punjab - 151301.

The Company along with its subsidiaries (collectively hereinafter referred to as 'the Group') are primarily engaged in the business of refining of crude oil, production of hydrocarbons & petrochemicals, manufacturing of ethanol, generation of solar power and providing crude oil and naphtha storage and transportation services for Company's refinery. The Company is engaged in the business of refining of crude oil has a petroleum refinery of 11.3 Million Metric Tonne Per Annum (MMTPA) along with an integrated petrochemical complex with dual feed cracker unit having capacity of 1.2 MMTPA of polyethylene and 0.5 MMTPA of polypropylene, called Guru Gobind Singh Refinery at Bathinda, Punjab.

The consolidated financial statements have been approved for issue by the Board of Directors on 22 April 2025.

Information about the group's structure is provided as below.

Sr. No.	Name of Subsidiaries	Principal activities	Relation	Proportion of ownership Interest (%)	
				As at 31 March 2025	As at 31 March 2024
1.	HPCL- Mittal Pipelines Limited ('HMPL')	Engaged in storage and transportation services of crude oil and naphtha	Subsidiary	100%	100%
2.	HPCL-Mittal Foundation ('HMF')	Engaged in CSR activities being Section 8 company	Subsidiary	100%	100%
3.	HMEI Organics Private Limited ('HOPL')	Engaged in manufacturing of Ethanol	Subsidiary (Incorporated w.e.f 31 August 2023)	100%	100%
4.	HMEI Green Energy Private Limited ('HGEPL')	Engaged in solar power generation	Subsidiary (Incorporated w.e.f 1 September 2023)	100%	100%
5.	HMEI Retail Private Limited ('HRPL')	Proposes to engage in the business of retail marketing of petroleum and related products	Subsidiary (Incorporated w.e.f 5 September 2023)	100%	100%

Note: Audited financial statements have been considered for consolidation and all the above subsidiaries are domiciled in India.

2. Material accounting policies

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act 2013 (as amended) herein after referred to as 'the Act' read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Act, as amended from time to time (Ind AS compliant Schedule III), as applicable to these consolidated financial statements.

The consolidated financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial instruments which have been measured at fair value/ amortised cost. Refer note 2(g)(4) for accounting policy regarding financial instruments.

The consolidated financial statements have been prepared and presented in INR, which is the Group's functional currency and all values are rounded to the nearest million except when otherwise indicated. Also refer note 2(g)(12) for accounting policy in respect of accounting for foreign currency transactions.



(b) Accounting standards issued but not yet effective

There are no standards that are notified and not yet effective as on the date.

(c) Basis and principles of consolidation

The Consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- b) Exposure, or rights, to variable returns from its involvement with the investee, and
- c) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a) The contractual arrangement with the other vote holders of the investee;
- b) Rights arising from other contractual arrangements;
- c) The Group's voting rights and potential voting rights;
- d) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. The Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements. The accounting policies of the subsidiary are, in all material respects, in line with accounting policies of the Company.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e. period ended on 31 March 2025.

Consolidation procedures:

- a) The financial statements of the Company and its subsidiaries are consolidated on line-by-line basis adding together the book value of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements as at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- c) Eliminate in full, intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 *Income Taxes* applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.



A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

(d) Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures. Uncertainty about the assumptions and estimates could result in outcomes that require material adjustment to the carrying value of assets or liabilities in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

Critical judgments in applying accounting policies

The key judgments, made by the management, in applying the Group's accounting policies having an effect on these consolidated financial statements are as follows:

- amount of provisions and contingencies that have been recognised in accordance with Ind AS 37 *Provisions, Contingent Liabilities and Contingent Assets* as the evaluation of the likelihood of the contingent events requires best judgment on the probability of exposure to potential loss; and
- amount of cumulative gain consequent to Company's decision to settle the deferred central sales tax liability on a net present value basis and convert the resultant amount into an undisbursed Interest free loan ('IFL') from Government of Punjab ('GoP') and deferment of central sales tax liabilities collected subsequent to adjustment with undisbursed IFL, as fully described in note 30.

Key source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities affecting the financial statements of future periods. The Group has based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(e) Current and non-current classification

Based on the nature of the operations and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.

(f) Changes in presentation and disclosure

The Group has revised the presentation of employee related liabilities, primarily comprising of accrued salaries, wages and bonuses to other financial liabilities instead of the hitherto followed practice of including the same under trade payables as it believes that the same would lead to a better presentation of financial statements. Accordingly, a sum of INR 1,325 million as at 31 March 2024 has been reclassified to other financial liabilities from trade payables. Since this change relates to only presentation and disclosure under the same sub heading, hence there is no impact either on the total equity and/or profit and loss for the current year or any earlier period or



on the statement of cash flows. The management does not believe that this change has any material impact on the balance sheet at the beginning of the comparative period and hence there is no need for a separate presentation of an additional balance sheet.

(g) Summary of material accounting policies

1) Property, plant and equipment ('PPE') and Capital work in progress ('CWIP')

Recognition and measurement

Property, plant and equipment ('PPE') is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment losses, if any.

Cost comprises of purchase price, borrowing costs if capitalisation criteria is met and is directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Items such as spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, on initial recognition expenditure to be incurred towards major inspections and overhauls are required to be identified as a separate component and depreciated over the expected period till the next overhaul expenditure.

The Group has elected to continue with the carrying value of all its property, plant and equipment recognized as per previous GAAP and use that as the deemed cost on the date of transition to Ind AS i.e., 1 April 2015.

Subsequent costs and disposal

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if the recognition criteria are met. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period in which such expenses are incurred.

From accounting periods commencing on or after 1 April 2011, exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable assets are adjusted to the cost of the asset. In accordance with MCA circular dated 9 August 2012, exchange differences adjusted to the cost of PPE are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Group does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference. Such exchange differences arising on translation/ settlement of long-term foreign currency monetary items and pertaining to the acquisition of a depreciable asset are amortised over the remaining useful lives of the assets. The Group has elected to continue with the said policy on exchange differences arising on long term foreign currency monetary items existing on 31 March 2016.

From accounting periods commencing on or after 1 April 2016, exchange differences arising on translation/ settlement of long-term foreign currency monetary items, acquired post 1 April 2016, pertaining to the acquisition of a depreciable asset are charged to the consolidated statement of profit and loss.

Gains or losses arising from derecognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

Depreciation and useful lives

Depreciation on PPE is calculated using the straight-line method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives as determined by the management based on technical estimates as given below. The asset's residual values and useful lives are reviewed regularly and adjusted prospectively, if appropriate.

Particulars	Useful life (years)
Buildings	30-60
Buildings (roads)	5
Temporary buildings and water lines	3
Plant and equipment	10-40
Railway sidings	15
Furniture and fixtures	10
Vehicles	8
Office equipment	5-10
Computer and peripherals	3-6

Assets constructed on leasehold properties are depreciated over the remaining period of the lease or the useful life mentioned above, whichever is lower.

Fixed-bed catalyst (included in Plant and equipment) are depreciated on SLM basis over their useful life determined based on individual chemical reports (ranging from 1 to 10 years) or using life mentioned above whichever is lower.

Residual value of Catalyst with noble metal content has been assessed at 90% of original cost of noble metal content

Spares, with useful life of more than one year are depreciated over the useful life of the principal item of PPE in case of specific spare and over the useful life of that spare in case of common spare from the date they are ready for use which ranges between 2 to 5 years.

No depreciation is charged on freehold land since they have an infinite life.

2) Intangible assets and Intangible assets under development**Recognition and measurement**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets under development represents the expenditure incurred on the development phase of completing the intangible assets. Expenditure incurred on the research phase however are recognized as expense as and when they are incurred.

Amortisation

Intangible assets of the Group represent computer softwares and license and are amortised using the straight-line method over the estimated useful life of five years or the tenure of the respective software license, whichever is lower. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the intangible asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the intangible asset is derecognised.

3) Impairment of PPE, CWIP, intangible assets and intangible assets under development

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset (or cash generating unit) exceeds its recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount



rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

4) Financial instruments

Recognition and subsequent measurement

Financial assets and financial liabilities are recognised when Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the consolidated statement of profit and loss.

A. Financial assets

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank deposits (unpledged) and 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.

(ii) Other bank balances

Other bank balances consists of term deposits with banks, which have original maturities of more than three months but upto twelve months. Such assets are recognised and measured at amortised cost (including directly attributable transaction cost) using the effective interest method, less any impairment losses.

(iii) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iv) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. Financial assets are subsequently measured at fair value with fair value movements being recognized in the other comprehensive income if the financial assets are held within the business whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(v) Impairment of financial assets

The Group assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through loss allowance. The Group recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 months expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

(vi) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received, and receivable is recognised in the consolidated statement of profit and loss.



B. Equity instruments and financial liabilities**(i) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received. Incremental costs directly attributable to the issuance of new ordinary equity shares are recognised as a deduction from equity, net of tax effects.

(ii) Financial liabilities**a) Financial liabilities subsequently measured at amortised cost**

Financial liabilities are measured at amortised cost at the end of subsequent accounting period. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the consolidated statement of profit and loss.

b) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit and loss.

C. Effective interest rate (EIR)

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example: prepayment, extension, call and similar options) but does not consider the expected credit losses.

D. (i) Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure in interest rate, commodity price and foreign exchange rate risks, including interest rate swaps, commodity derivatives and foreign exchange forward contracts respectively.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the consolidated statement of profit and loss, except for derivatives which have been designated under hedging relationships for the purpose of hedge accounting.

(ii) Hedge accounting

The Group designates certain hedging instruments, which include derivatives in respect to foreign currency risk, interest rate risk and non-derivative financial instruments in respect to foreign currency risk, as cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.



Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Cash flow hedges

The effective portion of changes in the fair value of derivatives and exchange gain/loss on translation of certain foreign currency monetary assets and liabilities that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of 'Cash Flow Hedge Reserve'. The gain or loss relating to the ineffective portion for the period/year is recognised immediately in profit or loss, and is included in the 'Other income'/'Other expenses', as the case may be. Amounts recognised in the 'Cash Flow Hedge Reserve' are recycled in the consolidated statement of profit and loss in the periods when the hedge item is recognised and affects the consolidated statement of profit and loss.

The effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

Hedge accounting is discontinued when the Group's revokes the hedging relationship, the hedging instruments expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. In case of cash flow hedges, any cumulative gain or loss deferred in the 'Cash Flow Hedge Reserve' at that time is retained and is recognised when the forecast transaction is ultimately recognised and affects the consolidated statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred is recognised immediately in the consolidated statement of profit and loss.

E. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

F. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions

The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants.

5) Borrowing costs

Borrowing cost includes interest expense as per effective interest rate, interest expense on lease liabilities and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing cost, if any, incurred on general borrowings used for projects is capitalised at the rate computed on weightage basis. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the amount of borrowing costs on such specific borrowings being capitalised.



6) Inventories

Inventories are valued as follows:

Raw materials, components, stores and spares: Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a moving weighted average basis.

Work-in-progress and finished goods: Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity and is determined on a monthly weighted average basis. Cost of finished goods includes excise duty.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs net of benefits, necessary to make the sale.

7) Government grants and subsidies

Grants and subsidies (including incentives) from the government are recognised when there is a reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the consolidated statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

When the Group receives grants for non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. The Group has elected to reduce the grant related to income from the related interest expense.

8) Provisions

A provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Provisions are reviewed by the management at each reporting date and adjusted to reflect the current best estimates.

9) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.



10) Employee benefits**(a) Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

(b) Post-employment benefits

The Group operates the following post-employment schemes:

Defined contribution plan: Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

Defined benefit plan: Gratuity

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service, subject to limits prescribed as per the Gratuity Act, 1972. Group has created a fund with insurance companies in the form of a qualifying insurance policy, to cover the entire liability.

The liability or asset recognised in the consolidated balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated at each reporting date by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the consolidated statement of profit and loss as past service cost.

(c) Other long-term employee benefit obligations: Compensated absences

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the consolidated statement of profit and loss.

11) Revenue recognition**Sale of goods and services**

The Group derives revenues primarily from sale of petroleum and petrochemicals products.

The Group recognises revenue when control of the goods or services is transferred to the customer, at an amount that reflect the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

Revenue from sale of petroleum and petrochemical products are recognised at a point in time, when the control is transferred to the customer, generally upon delivery of the products, where the title is passed and the customer takes physical possession

Recovery of excise duty flows to the Group on its own account and becomes liability of the Group and forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Group on its own account, revenue includes excise duty.

The Group collects central sales tax (CST), value added taxes (VAT) and goods & service tax (GST) on behalf of the government and therefore, these are not economic benefits flowing to the Group and is excluded from revenue.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e. transfers control of the related goods or services to the customer)

Interest income

Interest income from financial assets is recognised at the effective interest rate applicable on initial recognition and is included in the 'Other income' line item in the consolidated statement of profit and loss except investment income earned on the temporary investment of proceeds from specific borrowings pending their expenditure on qualifying assets which is deducted from the amount of borrowing costs capitalized on such specific borrowings.

12) Accounting for foreign currency transactions

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at or near the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities, except for foreign currency monetary liabilities designated in hedging relationships, denominated in foreign currencies at year end exchange rates are generally recognised in the consolidated statement of profit and loss. Refer the accounting policy on hedge accounting in respect to accounting of foreign exchange gain/loss on translation/settlement relating to certain foreign currency monetary assets and liabilities designated in hedging relationships.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit and loss on a net basis. Refer the accounting policy on Property, plant and equipment in respect of accounting of exchange gains and losses relating to long term foreign currency monetary items.

13) Income Taxes

Tax expense comprises current and deferred tax. Tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable on the taxable income for the year. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria are met. Current Income tax related to items recognised in other comprehensive income or directly in equity is recognised in other comprehensive income or in equity as the case may be.



Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and tax base i.e. amounts used for taxation purposes.

A deferred tax asset is recognised for unused tax losses, unabsorbed depreciation, deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. A deferred tax liability is recognised in respect of taxable temporary differences.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss either in comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

14) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Apex Committee/ Chief Operating Decision Maker ('CODM').

Identification of segments

In accordance with Ind AS 108 *Operating Segments*, the operating segments used to present segment information are identified on the basis of information reviewed by the Group's CODM to allocate resources to the segments and assess their performance. An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

Results of the operating segments are reviewed regularly by the Apex Committee/CODM, to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

15) Leases

Leases are accounted for using the principles of recognition, measurement, presentation and disclosures as set out in Ind AS 116 *Leases*.

On inception of a contract, the Group assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Group consolidated financial statements as a Right-of-Use ('ROU') asset and a lease liability respectively.

Lease contracts may contain both lease and non-lease components. The Group allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-of-use asset recognised at lease commencement includes the amount of lease liability on initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated to a residual value over the right-of-use assets' estimated useful life or the lease term, whichever is lower. Right-of-use assets are also adjusted for any re-measurement of lease liabilities and are subject to impairment testing. Residual value is reassessed at each reporting date.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.



The lease term includes periods subject to extension options which the Group is reasonably certain to exercise and excludes the effect of early termination options where the Group is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if the Group is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest on lease liability and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification.

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs.

The Group has opted not to apply the lease accounting model to leases of low-value assets or leases which have a term of upto twelve months. Costs associated with these leases are recognised as an expense on a straight-line basis over the lease term.

16) Dividend

The Company recognises a liability to pay dividend to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. 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.

17) Earnings per share

Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the 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 effects of all dilutive potential equity shares.



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HPCL-MITTAL ENERGY LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

3.1 Property, plant and equipment

	Land freehold*	Right-of-use assets	Buildings on freehold land	Buildings on leasehold land	Plant and equipment	Plant and equipment on leasehold land	Railway sidings	Leasehold improvements	Office equipment	Furniture and fixtures	Computer and peripherals	Vehicles	Total
Cost or valuation													
As at 1 April 2023	9,251	1,270	23,569	711	496,306	14,799	550	28	425	277	841	264	548,291
Additions	93	311	2,572	-	61,304	165	-	-	53	11	29	28	64,566
Disposals/remeasurement	-	(16)	-	-	(26)	-	-	-	(3)	(4)	(65)	-	(114)
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
-Exchange difference (a)	-	-	16	-	423	-	1	-	-	-	-	-	440
As at 31 March 2024	9,344	1,565	26,157	711	558,007	14,964	551	28	475	284	805	292	613,183
Additions	2,241	648	67	1	6,935	361	-	-	66	19	160	13	10,511
Disposals/remeasurement	-	(254)	-	-	(249)	(60)	-	-	(6)	-	(2)	(1)	(572)
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
-Exchange difference (a)	-	-	9	-	225	-	-	-	-	-	-	-	234
As at 31 March 2025	11,585	1,959	26,233	712	564,918	15,265	551	28	535	303	963	304	623,356
Depreciation													
As at 1 April 2023	-	505	3,555	419	67,868	6,808	193	15	254	159	412	222	80,410
Charge for the year	-	300	767	34	15,818	986	39	1	49	15	105	6	18,120
Disposals	-	(16)	(3)	-	(6)	-	-	-	(3)	(3)	(58)	-	(89)
As at 31 March 2024	-	789	4,319	453	83,680	7,794	232	16	300	171	459	228	98,441
Charge for the year	-	320	792	34	17,184	1,007	39	1	54	16	102	9	19,558
Disposals	-	(118)	-	-	(246)	(57)	-	-	(6)	-	(2)	(1)	(430)
As at 31 March 2025	-	991	5,111	487	100,618	8,744	271	17	348	187	559	236	117,569
Net Block													
As at 31 March 2024	9,344	776	21,838	258	474,327	7,170	319	12	175	113	346	64	514,742
As at 31 March 2025	11,585	968	21,122	225	464,300	6,521	280	11	187	116	404	68	505,787

*Includes assets of INR 32 million for CSR activities.

Notes:

- (a) The Group has adjusted exchange loss arising on long-term foreign currency loan amounting to INR 234 million (31 March 2024 : loss of INR 440 million) to the cost of property, plant and equipment.
(b) For further information on right-of-use assets, refer note 34.
(c) For lien/charge against property, plant and equipment, refer note 11.1 and 11.2.



	31 March 2025	31 March 2024
3.2 Capital work in progress		
Opening balance	6,914	53,616
Add: Additions during the year	10,461	12,853
Add: Expenditure during the year		
- Employee benefits expense (note 20)	-	83
- Finance costs (note 21)	9	1,367
- Start up/ trial run expenses (net of revenue/ inventory produced during trial run)	-	2,704
- Depreciation and amortisation expense (note 22)	-	9
- Other income (note 17)	-	(2)
- Other expenses (note 23)	-	445
Less: Assets capitalised during the year	(7,622)	(64,161)
	9,762	6,914

a) Capital work in progress ('CWIP') ageing schedule:

Particulars	As at 31 March 2025				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7,610	630	229	205	8,674
Project temporarily suspended	792	83	188	25	1,088
Total	8,402	713	417	230	9,762

Particulars	As at 31 March 2024				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5,453	515	157	175	6,300
Project temporarily suspended	123	342	125	24	614
Total	5,576	857	282	199	6,914

(b) Capital work in progress whose completion is overdue:

Particulars	As at 31 March 2025			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Major projects in progress				
Petrochemical related projects	615	-	-	-
Other projects	100	-	-	-
Major projects temporarily suspended				
Petrochemical related projects	-	445	-	-
Refinery related projects	-	-	-	636
Other projects	7	-	-	-

Particulars	As at 31 March 2024			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Major projects in progress				
Refinery related projects	386	1,423	-	-
Other projects	74	-	-	-
Major projects temporarily suspended				
Petrochemical related projects	299	315	-	-

As at 31 March 2025 and 31 March 2024, there are no such projects whose cost has exceeded its original plan during the year.



4.1 Intangible assets

	Software and License	Total
Cost		
As at 1 April 2023	1,732	1,732
Additions	124	124
Deductions	(295)	(295)
As at 31 March 2024	1,561	1,561
Additions	264	264
Deductions	-	-
As at 31 March 2025	1,825	1,825
Amortisation		
As at 1 April 2023	1,392	1,392
Charge for the year	119	119
Deductions	(294)	(294)
As at 31 March 2024	1,217	1,217
Charge for the year	144	144
Deductions	-	-
As at 31 March 2025	1,361	1,361
Net block		
As at 31 March 2024	344	344
As at 31 March 2025	464	464

4.2 Intangible assets under development

	31 March 2025	31 March 2024
Opening balance	-	-
Add: Additions during the year	389	124
Less: Capitalised during the year	(264)	(124)
	125	-

Intangible assets under development ('IAUD') ageing schedule:

Particulars	As at 31 March 2025				
	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	125	-	-	-	125

Particulars	As at 31 March 2024				
	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-

As at 31 March 2025 and 31 March 2024, there are no such projects whose cost has exceeded to its original plan or whose completion is overdue.

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5. Financial assets

5.1 Trade receivables (at amortised cost)

Unsecured, considered good

Trade receivables

Current	
31 March 2025	31 March 2024
28,890	19,724
28,890	19,724

The credit period for trade receivables ranges from 0 to 21 days. Of the trade receivables outstanding as at 31 March 2025 and 31 March 2024, major dues relate to receivables from a single customer which is a related party. Trade Receivables as at 1 April 2023 were INR 22,743 million.

Trade receivables ageing schedule:

Particulars	31 March 2025						
	Amount Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	27,553	1,332	3	2	-	-	28,890
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	27,553	1,332	3	2	-	-	28,890

Particulars	31 March 2024						
	Amount Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	19,722	2	-	-	-	-	19,724
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	19,722	2	-	-	-	-	19,724

Unbilled dues INR Nil (31 March 2024 : INR Nil)



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

5.2 Cash and cash equivalents

Balances with banks:

- On current accounts*

- Deposits with original maturity of 3 months or less**

Current	
31 March 2025	31 March 2024
1,605	5,643
2,753	13,223
4,358	18,866

*Includes earmarked bank balances for corporate social responsibility ('CSR') activities of INR 308 million (31 March 2024 : INR Nil)

**Includes deposits held for CSR activities of INR 100 million.

5.3 Other bank balances

Deposits with original maturity for more than 3 months but upto 12 months*

Deposits with original maturity of more than 12 months**

Non-current		Current	
31 March 2025	31 March 2024	31 March 2025	31 March 2024
-	-	4,240	662
11,035	-	-	-
11,035	-	4,240	662

*Includes pledged with bank INR 1,790 million (31 March 2024 : INR 662 million)

**Includes pledged with bank INR 35 million (31 March 2024 : INR Nil)

5.4 Current investments

Investments in mutual fund (at fair value through profit and loss)

Quoted mutual fund

SBI overnight mutual fund (Direct growth) - Nil units (31 March 2024 : 2,612,672 units)

Current	
31 March 2025	31 March 2024
-	10,178
-	10,178

5.5 Other financial assets

Derivative instruments at fair value

Foreign exchange option contracts

Commodity forward contracts

Interest rate and cross currency swap

Other financial assets (at amortised cost)

Security deposits

Interest accrued but not due

Balance recoverable on settled commodity derivative contracts

Receivable from related party (note 25)

Others

Non-current		Current	
31 March 2025	31 March 2024	31 March 2025	31 March 2024
351	-	33	-
-	-	109	7
156	233	-	98
507	233	142	105
1,117	780	39	2
-	-	159	73
-	-	23	62
-	-	26	-
-	-	93	233
1,117	780	340	370
1,624	1,013	482	475

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025
(All amounts are in million Indian Rupees, unless otherwise stated)

6. Tax assets (net)

	Non-current	
	31 March 2025	31 March 2024
Advance income tax*	1,916	1,407
	1,916	1,407

*Net of provision for Income tax of INR Nil (31 March 2024 : INR Nil)

7. Other assets

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Capital advances	685	2,592	-	-
Advances other than capital advances	106	99	864	288
	791	2,691	864	288
Others				
Balances with statutory/government authorities*	1,305	698	2,841	4,012
Prepaid expenses	14	11	947	1,317
Export incentive receivable	-	-	29	9
	1,319	709	3,817	5,338
	2,110	3,400	4,681	5,626

*Includes INR 482 million (31 March 2024 : INR 300 million) paid under protest, classified as non-current.

8. Inventories

	Current	
	31 March 2025	31 March 2024
Raw materials (refer 'a')	60,160	65,082
Work-in-progress	16,797	16,076
Finished goods	26,482	20,322
Stores and spares	14,069	14,062
	117,508	115,542

Notes:

(a) Raw materials includes stock in transit of INR Nil (31 March 2024 : INR 9,010 million)

(b) The cost of inventories recognised as an expense includes INR 463 million (31 March 2024 : INR 6 million) in respect of write down of inventories to net realisable values.

(c) The inventories of the Group have been pledged as securities against borrowings. (note 11.1 and 11.2)



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

9. Equity share capital

(a) Authorised (numbers in million)

10,000 (31 March 2024 : 10,000) equity shares of INR 10 each

31 March 2025 31 March 2024

100,000 100,000

(b) Issued, subscribed and fully paid up (numbers in million)

8,041 (31 March 2024 : 8,041) equity shares of INR 10 each

80,411 80,411

Total issued, subscribed and fully paid up share capital

80,411 80,411

(c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Outstanding at the beginning of the year

Issued during the year

Outstanding at the end of the year

For the year ended 31 March 2025		For the year ended 31 March 2024	
No. million	INR million	No. million	INR million
8,041	80,411	8,041	80,411
-	-	-	-
8,041	80,411	8,041	80,411

(d) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The final dividend, if any, proposed by the Board of Directors will be subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Group remaining after settlement of all preferential liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Details of shareholders holding more than 5% shares in the Company

Name of shareholders

Equity shares of INR 10 each fully paid up
Mittal Energy Investments Pte Limited
Hindustan Petroleum Corporation Limited

As at 31 March 2025		As at 31 March 2024	
No. million	% holding in the class	No. million	% holding in the class
3,940	48.99%	3,940	48.99%
3,940	48.99%	3,940	48.99%

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership of shares.

(f) No shares have been allotted without payment of cash or by way of bonus shares during the period of five years immediately preceding the balance sheet date.

(g) Details of shareholdings of Promoters in the Company:

Name of promoters

Mittal Energy Investments Pte Limited
Hindustan Petroleum Corporation Limited

As at 31 March 2025		As at 31 March 2024		% Change
No. million	% of total shares	No. million	% of total shares	
3,940	48.99%	3,940	48.99%	-
3,940	48.99%	3,940	48.99%	-

10. Other equity

Retained earnings

Debenture redemption reserve

Other Comprehensive Income:

-Cash flow hedge reserve

31 March 2025 31 March 2024

75,243 83,808

1,008 1,008

(5,785) (4,306)

70,466 80,510

Retained Earnings: Retained earnings is the amount that can be distributed by the Company as dividends to its equity shareholders subject to the requirements of the Companies Act, 2013.

Debenture redemption reserve ('DRR'): The Group pursuant to the provisions of section 71(4) of the Companies Act, 2013 read alongwith the Companies (Share Capital and Debentures) Amendment Rules, 2019 notified on 16 August 2019, has created a debenture redemption reserve on Non-Convertible Debentures. DRR released to retained earnings during the financial year INR Nil (31 March 2024 : INR 1,041 million)

Cash flow Hedge Reserve: Represents the cumulative effective portion of gains or losses arising on changes in fair value of designated hedging instruments entered into for cash flow hedges. The cumulative gain or loss on such changes are recognised through Other Comprehensive Income (OCI) and accumulated under this reserve. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged item occurs/affects statement of profit and loss or on termination, if any.



11. Financial Liabilities

11.1 Borrowings (at amortised cost)

	Effective rate of interest	Non-current		Current maturities	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
Debentures (Secured)					
Non-Convertible debentures (refer 'a')	9.18%	9,883	9,859	-	-
Foreign currency redeemable bonds (Unsecured)					
Senior notes (refer 'b')	5.25% - 5.45%	57,544	55,939	-	-
Term loans (Secured)					
Indian rupee loan from banks (refer 'c')	7.95% - 8.60%	113,730	126,440	197	197
Foreign currency loan from banks (refer 'd')	6.04%	47,814	80,416	470	1,825
Term loans (Unsecured)					
Indian rupee loan from banks (refer 'e')	7.64% - 7.95%	39,105	-	893	-
Foreign currency loan from banks (refer 'f')	5.59%	1,249	-	-	-
Indian rupee loan from Government of Punjab (refer 'g')		1,496	3,278	10,536	8,284
		270,821	275,932	12,096	10,306
The above amount includes					
Secured borrowings		171,427	216,715	667	2,022
Unsecured borrowings		99,394	59,217	11,429	8,284
Less: Amount disclosed under the head 'Borrowings' (note 11.2)		-	-	(12,096)	(10,306)
Net amount		270,821	275,932	-	-

Notes:

- (a) 10,000 (31 March 2024 : 10,000) Non-Convertible Debentures (NCDs) of INR 1 million each fully paid up, equivalent to INR 10,000 million (31 March 2024 : INR 10,000 million), net of unamortised ancillary borrowing cost of INR 117 million (31 March 2024 : INR 141 million) were allotted at par on 28 February 2020. These are secured by first pari-passu charge on property, plant and equipment of the Company to the extent of 1.25 times of the issue size. These NCDs are repayable at the end of 10 years from the date of issuance.
- (b) (i) US Dollar redeemable notes, equivalent to INR 32,093 million (31 March 2024 : INR 31,265 million), net of unamortised ancillary borrowing cost of INR 138 million (31 March 2024 : INR 204 million) were issued at par on 28 April 2017 and are repayable in April 2027.
- (b) (ii) US Dollar redeemable notes, equivalent to INR 25,674 million (31 March 2024 : INR 25,012 million), net of unamortised ancillary borrowing cost of INR 85 million (31 March 2024 : INR 134 million) were issued at par on 22 October 2019 and are repayable in October 2026.
- (c) (i) Indian rupee loan of INR 8,000 million (31 March 2024 : INR 8,000 million) net of unamortised ancillary borrowing cost of INR 1 million (31 March 2024 : INR 1 million), outstanding is secured by a hypothecation through a residual charge over movable property, plant and equipment and current assets of the Company. The loan is repayable in 3 annual instalments starting from June 2029.
- (c) (ii) Indian rupee loans of INR 98,566 million (31 March 2024 : INR 98,766 million), net of unamortised ancillary borrowing cost of INR 135 million (31 March 2024 : INR 155 million), are secured by a mortgage through first charge, ranking pari-passu amongst the lenders, over all immovable and movable property, plant and equipment of the Company. Further, these lenders hold a first charge/assignment on Accounts created under Trust and Retention Account Agreement. The loans are repayable in 33 structured quarterly instalments starting from June 2025.
- (c) (iii) Indian rupee loans INR 7,500 million (31 March 2024 : INR 7,500 million) net of unamortised ancillary borrowing cost of INR 3 million (31 March 2024 : INR 3 million) are secured by a mortgage through first charge, ranking pari-passu amongst the lenders, over all immovable and movable property, plant and equipment of the Company. The loan is repayable in 4 variable half yearly instalments starting from September 2028.
- (d) Foreign currency loan from banks equivalent to INR 48,803 million (31 March 2024 : INR 51,514 million) net of unamortised ancillary borrowing cost of INR 519 million (31 March 2024 : INR 616 million) secured by a mortgage through first charge, ranking pari-passu amongst the lenders, over all immovable and movable properties and assets of the Company. Further, these lenders hold a first charge/assignment on the accounts formed under Trust and Retention Account Agreement. The outstanding loan are repayable as under:
- (1) INR 23,613 million is repayable in 11 variable half yearly instalments starting from June 2028.
 - (2) INR 9,355 million is repayable in 21 variable quarterly instalments starting from June 2028.
 - (3) INR 15,835 million is repayable in 17 variable half yearly instalments starting from June 2025.
- (e) (i) Indian rupee loan of INR 8,093 million (31 March 2024 : INR Nil) net of unamortised ancillary borrowing cost of INR 1 million (31 March 2024 : INR Nil), outstanding is repayable in 22 structured quarterly instalments starting from June 2025.
- (e) (ii) Indian rupee loan of INR 8,910 million (31 March 2024 : INR Nil) net of unamortised ancillary borrowing cost of INR 4 million (31 March 2024 : INR Nil), outstanding is repayable in 18 structured quarterly instalments starting from June 2025.
- (e) (iii) Indian rupee loan of INR 20,000 million (31 March 2024 : INR Nil) net of unamortised ancillary borrowing cost of INR Nil (31 March 2024 : INR Nil), outstanding is repayable in 14 structured quarterly instalments starting from September 2026.
- (e) (iv) Indian rupee loan of INR 3,000 million (31 March 2024 : INR 3,000 million), net of unamortised ancillary borrowing cost of INR Nil (31 March 2024 : INR Nil), outstanding is repayable in 3 structured annual instalments starting from March 2027.
- (f) Foreign currency loan from banks equivalent to INR 1,284 million (31 March 2024 : INR Nil) net of unamortised ancillary borrowing cost of INR 35 million (31 March 2024 : INR Nil) outstanding is repayable in March 2029.
- (g) Loan from Punjab Government is interest free and is repayable in bullet instalments commencing after 66 months from the dates of disbursement. Amount is due to be paid back to Punjab Government w.e.f. April 2019. The said loan was initially measured at fair value using a rate of interest of 11% p.a. Also refer note 30.



11.2 Borrowings (at amortised cost)

Foreign currency loan from banks (secured) (refer 'a')
 Foreign currency loan from banks (unsecured)
 Indian rupee loan from banks (secured) (refer 'b')
 Indian rupee loan from banks (unsecured)
 Current maturities of long-term borrowings (note 11.1)

The above amount includes

Secured borrowings
 Unsecured borrowings
Net amount

Effective rate of interest	Current	
	31 March 2025	31 March 2024
4.50% - 4.80%	8,640	37,335
4.50% - 4.80%	53,604	31,453
7.20% - 7.25%	6,500	7,800
	-	2,683
	12,096	10,306
	80,840	89,577
	15,807	47,157
	65,033	42,420
	80,840	89,577

Notes:

- (a) Foreign currency loan of INR 8,640 million (31 March 2024 : INR 37,335 million) is secured by first pari-passu charge on current assets of the Company.
 (b) Indian rupee loan of INR 6,500 million (31 March 2024 : INR 7,800 million) is secured by first pari-passu charge on current assets of the Company.

There were no defaults in payments and compliance of covenants in respect of above borrowings (note 11.1 and note 11.2).

The Group has made borrowings from banks on the basis of security of current assets. The quarterly statements of current assets filed by the Group with such banks are in agreement with the books of accounts.

11.3 Reconciliation of liabilities arising from financing activities

The table below give details of changes in the Group's liabilities arising from financing activities including both cash and non-cash changes

	For the year ended 31 March 2025		For the year ended 31 March 2024	
	Non-current	Current	Non-current	Current
Balance at the beginning	286,238	79,271	336,339	52,965
Net additions/(repayments)	(6,995)	(10,704)	(53,060)	26,106
Other movements*	3,674	177	2,959	200
Balance at the end	282,917	68,744	286,238	79,271

Note: Non-current borrowing also includes current

*Other movements includes foreign exchange loss/(gain), ancillary costs of arranging the borrowings.



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11.4 Trade payables

Total outstanding dues of micro enterprises and small enterprises

Total outstanding dues of creditors other than micro enterprises and small enterprises* (note 2(f))

Current	
31 March 2025	31 March 2024
397	266
73,999	64,395
74,396	64,661

*Majority of trade payables relate to raw materials purchases having interest free credit period upto 120 days. The Company has financial risk management policies in place to ensure all payables are paid within the agreed credit term.

For explanations on the Group's liquidity risk management processes, refer note 27.

For terms and conditions with related party, refer note 25.

Trade payables ageing schedule:

Particulars	31 March 2025						Total
	Unbilled	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro Enterprises and Small Enterprises	29	368	-	-	-	-	397
(ii) Others	990	72,933	29	-	-	-	73,952
(iii) Disputed dues- Micro Enterprises and Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	47	47
Total	1,019	73,301	29	-	-	47	74,396

Particulars	31 March 2024						
	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro Enterprises and Small Enterprises	44	222	-	-	-	-	266
(ii) Others	1,135	63,197	16	-	-	-	64,348
(iii) Disputed dues- Micro Enterprises and Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	47	47
Total	1,179	63,419	16	-	-	47	64,661

11.5 Other financial liabilities

Financial liabilities at fair value

Commodity forward contracts
Foreign exchange forward contracts
Foreign exchange option contracts
Interest rate and cross currency swap

Other financial liabilities at amortised cost

Security deposits received
Commodity hedging payable
Liability towards project vendors*
Interest accrued but not due on borrowings
Deferred payment liabilities (note 30)
Employee related liabilities (note 2(f))
Other payables

Non-current		Current	
31 March 2025	31 March 2024	31 March 2025	31 March 2024
-	-	-	11
73	-	1,608	-
-	-	137	-
1,039	434	-	57
1,112	434	1,745	68
-	-	978	688
-	-	8	-
-	1,089	3,279	6,629
-	-	5,391	4,470
30,161	21,576	-	-
-	-	1,316	1,325
-	-	405	-
30,161	22,665	11,377	13,112
31,273	23,099	13,122	13,180

*Non-current portion represents the amount payable to the supplier of capital goods wherein credit period is from 882 days to 1080 days against irrevocable letter of credit for which the Company bears the financing charge.

Refer note 27 for details regarding the nature and extent of risks arising from financial instruments to which the Group is exposed at the end of the reporting year.



12. Provisions

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Provision for employee benefits				
Provision for gratuity (note 29.2)	-	-	78	86
Provision for compensated absences	488	372	72	84
	488	372	150	170
Other provisions				
Provision towards project vendors (refer 'a')	-	-	514	3,435
Provision towards potential claims (refer 'b')	686	784	-	-
	686	784	514	3,435
	1,174	1,156	664	3,605

Notes:

(a) Provision towards project vendors represents amounts likely to be paid upon final settlement. The opening provision as on 1 April 2024 of INR 3,435 million (1 April 2023 : INR 4,597 million) has increased by additional provision of INR 55 million (net of advance of INR Nil) (31 March 2024 : INR 1,533 million (net of advance of INR 364 million)) and reduced by INR 2,976 million (31 March 2024 : INR 2,695 million) on account of settlement with the vendors during the year.

(b) The Company has made provision for potential claims that may arise upon final settlement of some of the Company's dues. The opening provision of INR 784 million as on 1 April 2024 (1 April 2023 : INR 864 million) has decreased due to unwinding of discount of INR 98 million (31 March 2024 : INR 80 million).

13. Deferred tax assets/liabilities (net)

	31 March 2025	31 March 2024
Deferred tax assets (net)	36	12
Deferred tax liabilities (net)	30,661	33,270

13.1 Tax expense/(credit)

Amount recognised in the consolidated statement of profit and loss

Current tax expense	965	-
Deferred tax charge/(credit)	(2,145)	6,166
Tax expense recognised/(credit)	(1,180)	6,166

Amount recognised in other comprehensive income

Net loss/(gain) on remeasurement of defined benefit plans	9	7
Net loss/(gain) on effective portion of cash flow hedges	(498)	219
	(489)	226

13.2 Reconciliation of effective tax rate (tax expense and the accounting profit multiplied by India's domestic tax rate)

	31 March 2025	31 March 2024
Profit/(loss) before tax	(7,200)	24,601
Statutory income tax rate	25.168%	25.168%
Expected income tax expense/(credit) at statutory rates	(1,812)	6,192
Tax effect of:		
-Corporate social responsibility expenses	215	178
-Previously unrecognised tax (assets)/liabilities	47	(124)
-Effect of tax rate differences of subsidiaries operating at other tax rates	7	2
-Others	14	(7)
	(1,529)	6,241
Statutory tax rate for capital gains of 14.560% (31 March 2024 : 23.296%)		
Difference between book value and indexed cost of land*	349	(75)
	349	(75)
Total income tax charged/(credit)	(1,180)	6,166
Effective income tax rate	16.389%	25.064%

*Consequent to the enactment of Finance Act 2024, indexation benefit on land has been withdrawn and thus there is a one time tax charge of INR 349 million in the current year

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13.3 Composition of deferred tax liabilities (net)

	31 March 2025	31 March 2024
Deferred tax liabilities		
Property, plant and equipment	62,246	55,255
Gross deferred tax liabilities	62,246	55,255
Deferred tax assets		
Derivative contracts	1,906	1,450
Inventory of spares	637	456
Lease liabilities	252	211
Unabsorbed depreciation	28,366	19,020
Unrealised profits on intragroup transactions	63	66
Employee benefits obligation	160	136
Others	201	646
Gross deferred tax assets	31,585	21,985
Net deferred tax liabilities	30,661	33,270
Composition of deferred tax (assets) (net)		
Deferred tax liabilities		
Property, plant and equipment	177	64
Gross deferred tax liabilities	177	64
Deferred tax assets		
Unabsorbed depreciation	195	65
Preliminary expenses	8	8
Employee benefits obligation	1	-
Carried forward tax losses	9	3
Gross deferred tax assets	213	76
Net deferred tax assets	(36)	(12)

Note:

(a) The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets, current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same tax authority.

(b) Deferred tax charge of INR 9 million (31 March 2024 : charge of INR 7 million) and credit of INR 498 million (31 March 2024 : charge of INR 219 million) on changes in deferred tax balances on employee benefits obligations and derivative contracts respectively recognised in other comprehensive income. All other changes have been recorded in the consolidated statement of profit and loss.

14. Other liabilities

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Advance from customers	-	-	2,988	1,616
Statutory dues payable	-	-	8,428	7,253
Government incentives*	22,922	21,456	2,726	2,043
Liability towards corporate social responsibility (note 23 (c))	-	-	445	300
Total other liabilities	22,922	21,456	14,587	11,212
*Movement in government incentives			31 March 2025	31 March 2024
At the beginning of the year			23,499	19,072
Received during the year			5,830	6,887
Released to the consolidated statement of profit and loss (note 16 and note 21)			(3,681)	(2,460)
At the end of the year			25,648	23,499

a) The Government of Punjab has granted an interest free loan and deferment in payment of Central Sales Tax ("CST") liability (note 30), to the Company. The difference between the actual proceeds and initial fair value of the loan/CST liability, has been treated as government incentives. Amount yet to be released to the consolidated statement of profit and loss is INR 24,905 million (31 March 2024 : INR 21,100 million) over the period of loan/period of deferment of CST liability.

b) It also includes government assistance of INR 743 million (31 March 2024 : INR 2,399 million) in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipment and Advance Authorisation License Scheme on purchase of raw material, accounted for as government grant and will be released to consolidated statement of profit and loss as and when exports are undertaken.

15. Current tax liabilities

Liabilities for income tax (net of taxes paid)

Net of income tax paid of INR 318 million (31 March 2024 : INR Nil)

Current	
31 March 2025	31 March 2024
680	-
680	-

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

16. Revenue from operations

	31 March 2025	31 March 2024
Sale of products (including excise duty)		
Finished goods	993,176	912,399
Other operating revenue	1,818	906
	994,994	913,305

Sale of products include excise duty collected from customers of INR 180,246 million (31 March 2024 : INR 171,569 million).

Other operating revenue includes export incentive of INR 114 million (31 March 2024 : INR 13 million), export obligation fulfilment income of INR 1,668 million (31 March 2024 : INR 893 million) and other operating income INR 36 million (31 March 2024 : INR Nil).

Disaggregation of revenue

Below table summarises the disaggregated revenue from contracts with customers:

Product wise category	31 March 2025	31 March 2024
Solid products	192,321	125,255
Liquid products*	800,991	789,752
Revenue from contract with customers	993,312	915,007
Less: Sales during trial run transferred to capital work in progress	-	(2,387)
	993,312	912,620
Less: Net hedging gain/(loss) recycled to statement of profit and loss on transaction getting executed	(136)	(221)
Sale of finished goods	993,176	912,399

*Includes sales of traded goods amounting to INR 7,337 million (31 March 2024 : INR Nil)

Contract balances

Contract liabilities include advances received against delivery of goods and rebates payable under supply agreement with the customer. The outstanding balance of contract liabilities as on 31 March 2025 was INR 2,973 million (31 March 2024 : INR 1,597 million) and 1 April 2023 INR 779 million. Revenue recognised during the current year out of contract liabilities outstanding at the beginning of the year is INR 1,580 million (31 March 2024 : INR 700 million). Management expects that the entire transaction price allocated to the unsatisfied contracts at the end of the year will be recognised as revenue during the next year.

Reconciliation of the amount of revenue from contract with customers with the contracted price

	31 March 2025	31 March 2024
Revenue as per contracted price	1,008,865	923,711
Adjustments		
- Discount and incentives	(15,553)	(8,704)
Revenue from contract with customers	993,312	915,007

Performance obligation

The Group's performance obligation is satisfied at a point in time, as and when the goods are delivered as per the terms agreed with the customer.



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

17. Other income

	31 March 2025	31 March 2024
(a) Interest income		
Bank deposits (at amortised cost)	314	547
Deposits and others (at amortised cost)	88	42
Income tax refund	57	140
(b) Other non-operating income		
Insurance claims received	402	342
Liability towards vendors no longer required written back	46	614
Gain on sale of current investments (net)	160	56
Profit on sale/discard of property, plant and equipment (net)	138	37
Miscellaneous income	1,005	574
	2,210	2,352
Less: Transferred to capital work in progress (note 3.2)	-	(2)
	2,210	2,350

18. Cost of raw materials consumed

	31 March 2025	31 March 2024
Inventory at the beginning of the year	65,082	54,898
Add: Purchases	719,616	645,030
Less: Inventory at the end of the year	(60,160)	(65,082)
	724,538	634,846
Less: Transferred to capital work in progress	-	(8,863)
	724,538	625,983

Note: Includes material consumed of INR 22,817 million (31 March 2024 : INR 27,521 million) as fuel for in house power and steam generation.

19. Changes in inventories of finished goods and work-in-progress

		31 March 2025	31 March 2024
Inventories at the beginning of the year			
-Work-in-progress		16,076	25,569
-Finished goods		20,322	13,624
	(A)	36,398	39,193
Inventories at the end of the year			
-Work-in-progress		16,796	16,076
-Finished goods		26,482	20,322
	(B)	43,278	36,398
	(A-B)	(6,880)	2,795
Less: Inventory produced during trial run		-	(3,772)
Net (increase)/decrease in inventories		(6,880)	6,567

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

20. Employee benefits expense

	31 March 2025	31 March 2024
Salaries, wages and bonus	5,999	5,898
Contribution to provident fund (note 29.1)	306	280
Gratuity expense (note 29.2)	115	115
Compensated absences	183	138
Staff welfare expenses	514	467
	7,117	6,898
Less: Transferred to capital work in progress (note 3.2)	-	(83)
	7,117	6,815

21. Finance costs

	31 March 2025	31 March 2024
Interest cost*	28,381	29,898
Exchange difference to the extent considered as an adjustment to borrowing cost	1,572	950
Bank charges	284	223
	30,237	31,071
Less: Transferred to capital work in progress (note 3.2)	(9)	(1,367)
Less: Government incentives (note 14)	(2,013)	(1,566)
	28,215	28,138

*Includes interest on lease liability of INR 58 million (31 March 2024 : INR 72 million) and interest on income tax of INR 33 million (31 March 2024 : INR Nil).

22. Depreciation and amortisation expense

	31 March 2025	31 March 2024
Depreciation of property, plant and equipment* (note 3.1)	19,558	18,120
Amortisation of intangible assets (note 4.1)	144	119
	19,702	18,239
Less: Transferred to capital work in progress (note 3.2)	-	(9)
	19,702	18,230

*Includes depreciation on right-of-use assets of INR 320 million (31 March 2024 : INR 300 million).

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

23. Other expenses

	31 March 2025	31 March 2024
Consumption of chemicals, stores and spares	11,666	8,904
Power and fuel	8,945	7,699
Repairs and maintenance		
-Buildings	24	12
-Plant and machinery	2,833	2,695
-Others	806	666
Facility maintenance	565	410
Professional and consultancy fees (refer 'a')	474	372
Rent (note 34)	80	55
Commission on sales	871	647
Rates and taxes (refer 'b')	118	78
Insurance	1,476	2,554
Travel and conveyance	405	404
Sales promotion expenses	28	31
Freight outward	3,890	2,162
Goods and Service Tax ('GST') reversal on exempted finished goods	916	1,087
Increase/(decrease) of excise duty on inventories	1,251	(500)
Fair value loss on derivative contracts (net)	2,727	1,686
Loss on sale/discard of property, plant and equipment/capital work in progress (net)	-	1
Corporate social responsibility ('CSR') expenditure (refer 'c')	849	709
Foreign exchange differences (net)	3,615	2,276
Miscellaneous expenses	2,610	2,249
	44,149	34,197
Less: Transferred to capital work in progress (note 3.2)	-	(445)
	44,149	33,752

a) Details of remuneration to auditors included under professional and consultancy fees

	31 March 2025	31 March 2024
-Fee for statutory audit	14	12
-Fee for review of interim financial information	8	6
-Fee for certifications	2	1
-Out of pocket expenses	2	1
	26	20

b) Details of corporate environment responsibility (CER)

An amount of INR 39 million has been spent during the year towards corporate environment responsibility.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025
(All amounts are in million Indian Rupees, unless otherwise stated)

c) Details of corporate social responsibility expenditure

	31 March 2025	31 March 2024
1. Amount required to be spent by the Group during the year	849	709
2. Amount spent during the year:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	705	409

Note: Amount spent during the year: In cash INR 702 million (31 March 2024 : INR 398 million) and yet to be paid in cash INR 3 million (31 March 2024 : INR 11 million)

3. Amount transferred to Unspent CSR Account*	145	300
4. Excess amount spent during the financial year	1	-
5. Set Off available for succeeding financial years	1	-

Promoting healthcare and education, livelihood enhancement, empowering women, community infrastructure and environment, skill development and rural development projects, promoting sports, art and culture.

6. Nature of CSR activities

Note: Out of the aforementioned amount of INR 705 million (31 March 2024 : INR 409 million), an amount of INR 580 million (31 March 2024 : INR 319 million) has been contributed by the Group to HPCL-Mittal Foundation ('HMF'), a related party, in relation to CSR expenditure.

*In order to comply with statutory provisions, the Company will transfer INR 145 million to ongoing projects to UCSRA (Unspent CSR Account) for Unspent Amount of Corporate Social Responsibility for financial year 2024-25 before 30 April 2025. The same would be spent in succeeding years as per the provisions of the Companies Act, 2013.

7. Details of unspent CSR amount under section 135(6) of the Companies Act 2013 pursuant to ongoing projects:

	31 March 2025	31 March 2024
Opening balance		
- With Company		
- in separate CSR unspent A/c	300	-
Amount required to be spent during the year	-	-
Amount transferred to CSR unspent A/c during the year	849	709
Amount spent during the year*	300	-
Amount spent from	704	409
- Company's bank A/c		
- CSR unspent A/c	-	-
Closing balance		
- With Company		
- in separate CSR unspent A/c	145	300
	300	-

* Net of excess amount spent of INR 1 million (31 March 2024 : INR Nil)

24. Earnings per share (EPS)

The following reflects the profit/(loss) and equity shares data used in the basic and diluted EPS computations:

		31 March 2025	31 March 2024
Profit/(loss) attributable to equity share holders for basic and diluted earnings	(A)	(6,020)	18,435
Weighted average number of equity shares for basic and diluted EPS (in million)	(B)	8,041	8,041
Nominal value per equity share (in INR)		10	10
Basic and Diluted earnings/(loss) per share (in INR)	(A/B)	(0.75)	2.29



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HPCL-MITTAL ENERGY LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025
(All amounts are in million Indian Rupees, unless otherwise stated)

25. Related party disclosures

25.1 Related parties : Nature of relationship

Nature of relationship	Name of related parties
Joint venture companies having significant influence	Hindustan Petroleum Corporation Limited (HPCL)
Holding company of HPCL	Mittal Energy Investments Pte Limited (MEI)
Enterprise under common control as MEI	Oil and Natural Gas Corporation Limited (ONGC)
	ArcelorMittal Liberia Limited ('AMLL')

25.2 Transactions with related parties

Particulars	Joint venture companies having significant influence				Holding company of HPCL		Enterprise under common control as MEI		Key management personnel	
	Hindustan Petroleum Corporation Limited	Mittal Energy Investments Pte Limited	Oil and Natural Gas Corporation Limited	ArcelorMittal Liberia Limited	Oil and Natural Gas Corporation Limited	ArcelorMittal Liberia Limited	Oil and Natural Gas Corporation Limited	ArcelorMittal Liberia Limited	Oil and Natural Gas Corporation Limited	ArcelorMittal Liberia Limited
Transactions during the year	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Allocation of expenses by HMEI	200	172	-	-	-	-	-	-	-	-
Purchase of raw material and consumables	946	2,943	-	-	68	-	-	-	-	-
Purchase of services	975	1,204	-	-	-	-	-	-	-	-
Sale of products	805,045	804,848	-	-	-	-	-	-	-	-
Sale of crude oil	7,337	-	-	-	-	-	-	-	-	-
Interim dividend paid	1,261	3,000	-	3,000	-	-	-	-	-	-
Sales of chemical, stores and spares	-	-	-	-	-	-	24	-	-	-
Remuneration paid to key managerial personnel:										
(i) short-term employment benefits	-	-	-	-	-	-	-	-	365	279
(ii) post-employment benefits	-	-	-	-	-	-	-	-	96	9
(iii) other long term benefits	-	-	-	-	-	-	-	-	19	20
(iv) sitting fees	-	-	-	-	-	-	-	-	1	1

25.3 Balance outstanding

Particulars	Hindustan Petroleum Corporation Limited		Mittal Energy Investments Pte Limited		Oil and Natural Gas Corporation Limited		ArcelorMittal Liberia Limited		Total balance outstanding	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Balance outstanding										
Trade receivables (note 5.1)*	33,931	39,048	-	-	-	-	-	-	33,931	39,048
Other financial assets - other receivable (note 5.5)	17	25	-	-	-	-	9	-	26	25
Trade payables (note 11.4)	174	367	-	-	-	-	-	-	174	367

Including taxes wherever applicable

* Gross of INR 8,557 million (31 March 2024 : INR 22,484 million) assigned to a bank under a factoring arrangement, without recourse to the Company.

Notes:

(a) The transactions with HPCL are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

(b) For the year ended 31 March 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken at each reporting period.

(c) Government of India (GOI), is also a related party as Hindustan Petroleum Corporation Limited (HPCL) who is a joint venturer of the Group and subsidiary of Oil and Natural Gas Corporation Limited, is a Government related entity. The Group deals on regular basis with entities directly or indirectly controlled by the central/state governments through its government authorities, agencies, affiliations and other organisations and entered into transactions including but not limited to purchase and sale of goods and services (including capital goods), telephone expenses, electricity, fuel and gas purchase and deposits etc. and availed loans and paid/accrued interest on the same with various GOI related entities. These transactions are conducted in the ordinary course of business on arms-length basis and are insignificant individually and collectively and hence not disclosed.



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

26. Financial Instruments

a) Classification of each category of financial instruments, their carrying amounts and fair value

Particulars	31 March 2025				
	Fair value through OCI	Fair value through profit or loss	Amortised cost	Total carrying value	Fair value
Financial assets					
Trade receivables	-	-	28,890	28,890	28,890
Cash and cash equivalents	-	-	4,358	4,358	4,358
Other bank balances	-	-	15,275	15,275	15,275
Other financial assets (current)	-	142	340	482	482
Other financial assets (non-current)	-	507	1,117	1,624	1,624
Total Financial assets	-	649	49,980	50,629	50,629
Financial liabilities					
Borrowings (current)	-	-	69,179	69,179	68,744
Borrowings (non-current)*	-	-	287,785	287,785	285,178
Lease liabilities (current)	-	-	163	163	163
Lease liabilities (non-current)	-	-	838	838	838
Trade payables	-	-	74,472	74,472	74,472
Derivative liabilities not designated as hedge	-	2,063	-	2,063	2,063
Derivative liabilities designated as cash flow hedge	794	-	-	794	794
Other financial liabilities (current)	-	-	5,997	5,997	5,997
Other financial liabilities (non-current)	-	-	30,162	30,162	29,008
Total Financial liabilities	794	2,063	468,596	471,453	467,257

Particulars	31 March 2024				
	Fair value through OCI	Fair value through profit or loss	Amortised cost	Total carrying value	Fair value
Financial assets					
Investments in Mutual Funds	-	10,178	-	10,178	10,178
Trade receivables	-	-	19,724	19,724	19,724
Cash and cash equivalents	-	-	18,866	18,866	18,866
Other bank balances	-	-	662	662	662
Other financial assets (current)	-	105	370	475	475
Other financial assets (non-current)	-	233	780	1,013	1,013
Total Financial assets	-	10,516	40,402	50,918	50,918
Financial liabilities					
Borrowings (current)	-	-	79,636	79,636	79,278
Borrowings (non-current)*	-	-	290,260	290,260	288,608
Lease liabilities (current)	-	-	312	312	312
Lease liabilities (non-current)	-	-	524	524	524
Trade payables	-	-	64,661	64,661	64,661
Derivative liabilities not designated as hedge	-	68	-	68	68
Derivative liabilities designated as cash flow hedge	434	-	-	434	434
Other financial liabilities (current)	-	-	8,642	8,642	8,711
Other financial liabilities (non-current)	-	-	22,746	22,746	21,560
Total Financial liabilities	434	68	466,781	467,283	464,156

*Includes current maturities.

(a) The carrying amounts of all the financial instruments measured at amortised cost mentioned in the table above except borrowings are considered to be the same as their fair values due to short term maturities.

(b) The fair values of non-current borrowings, deferred payment liabilities and lease liabilities are based on discounted cash flows using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

(c) Interest accrued but not due is included with the principal liability.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

b) The following table gives details of the level wise hierarchy of the financial instruments that are recognised and measured at fair value through profit or loss.

Particulars	31 March 2025			31 March 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets - current						
Investment in mutual fund	-	-	-	-	10,178	-
Other financial assets (derivative assets)	-	142	-	-	105	-
Financial assets - non-current						
Other financial assets (derivative assets)	-	507	-	-	233	-
Financial liabilities - current						
Other financial liabilities (derivative liabilities)	-	1,745	-	-	68	-
Financial liabilities - non-current						
Other financial liabilities (derivative liabilities)	-	1,112	-	-	434	-

Note: Level 2 instruments are not actively traded in the market, the fair value has been determined using appropriate valuation techniques and quotes.

c) Foreign currency liability/cross currency swap contracts

- i) The Company has designated certain financial liabilities in foreign currency (disclosed under borrowings) as cash flow hedges against highly probable dollarised future forecasted sales. Such designation helps the Company to cover the foreign currency risk to set off the impact of foreign exchange rate movement on highly probable dollarised forecasted sales.
- ii) The Company has also entered into cross currency swap contracts (fair value disclosed under other financial liabilities) to cover the foreign currency risk to set off the impact of foreign exchange rate movement on highly probable dollarised forecasted sales with a cross currency swap.

The following table details the foreign currency liability and cross currency swap contracts outstanding at the end of the year:

Designated as cash flow hedges

Sell USD	Notional amounts (USD million)	
	31 March 2025	31 March 2024
Less than 1 year	-	-
1 year to 2 years	206	-
2 years to 5 years	415	482
Beyond 5 years	-	139
Total	621	621

Foreign currency liability restated at closing exchange rate and debit balance of cash flow hedge reserve of INR 6,890 million as at 31 March 2025 (31 March 2024 : INR 5,857 million) being mark to market have been recognised in other comprehensive income. Ineffective portion amounting to INR Nil (31 March 2024 : INR 2,771 million) have been included in 'foreign exchange differences (net)' under 'Other expense' during the year.

Debit balance of cash flow hedge reserve of INR 844 million as at 31 March 2025 (31 March 2024 : INR Nil) on cross currency swap contracts have been recognised in other comprehensive income. There was no ineffective portion on these contracts as at 31 March 2025 and no effective portion 31 March 2024.

d) Interest rate swap contracts

Under interest rate swap contracts, the Company agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Company to mitigate the risk of changing interest rates on the cash flow exposures on the variable rate loan.

Certain interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Company's cash flow exposure resulting from variable interest rates on borrowings. On payment of interest, the proportionate amount accumulated in OCI is reclassified to profit or loss. The following tables detail the nominal amounts of interest rate swap contracts outstanding at the end of the year:

Designated as cash flow hedges

Outstanding contracts (floating to fixed)

Particulars	Notional amounts (USD million)	
	31 March 2025	31 March 2024
Less than 1 year	-	36
1 year to 2 years	-	-
2 years to 5 years	-	-
Total	-	36

The fair value of interest rate swap contracts are disclosed under other financial assets and other financial liabilities.

Balance of cash flow hedge reserve of INR Nil as at 31 March 2025 (31 March 2024 : credit balance of INR 100 million) on interest rate swap contracts have been recognised in other comprehensive income.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

27. Financial risk management

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Enterprise Risk Management Committee ('ERMC'), Financial Risk Management Committee ('FRMC') and Commodity Risk Management Committee ('CRMC'), which are responsible for developing and monitoring the Group's risk management policies. The ERMC/FRMC/CRMC comprises of Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and some other senior executives of the Group.

ERMC/FRMC/CRMC guides the concerned department in decision about risks to be hedged, hedging strategies to be adopted and the execution methodologies to be followed.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's activities expose it to market risk, liquidity risk and credit risk. These risks are actively measured, monitored and managed to abide by the principles of corporate governance.

(a) Credit risk

The Group controls its own exposure to credit risk. All external customers undergo a creditworthiness check. The Group performs an on-going assessment and monitoring of the financial position and the risk of default. Based on the aforesaid checks, monitoring and historical data, the Group does not perceive any significant credit risk on trade receivables.

As at 31 March 2025, the Group is not exposed to the credit risk for the receivables as more than 85% (31 March 2024 : more than 80%) of the trade receivables are from a single customer which is a Government Company and a related party as well. In respect to the bank deposits, the Company limits its exposure by dealing with creditworthy and reputable banks.

In addition, as part of its cash management and credit risk function, the Group regularly evaluates the creditworthiness of financial and banking institutions where it deposits cash and performs trade finance operations. The Group primarily has banking relationships with the public sector, private and large international banks with good credit rating.

The maximum exposure to the credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 5.

(b) Liquidity risk

The Group has mature liquidity risk management processes covering short-term, mid-term and long-term funding. Liquidity risk is controlled through maintaining sufficient reserves, adequate amount of committed credit facilities and loan funds. Management regularly monitors projected and actual cash flow information, analyses the repayment schedules of the existing financial assets and liabilities and performs annual detailed budgeting procedures coupled with rolling cash flow forecasts.

The contractual maturities of Group's financial liabilities are presented below:-

31 March 2025	Contractual cash flows				
	< 1 year	1 < 4 years	4 < 9 years	> 9 years	Total
Non-derivative financial liabilities					
Borrowings (non-current)*	37,049	150,962	200,341	-	388,352
Borrowings (current)	69,783	-	-	-	69,783
Trade payable	74,396	-	-	-	74,396
Other financial liabilities	5,995	10,957	18,262	23,106	58,320
Payments for leases (note 34)	237	670	333	-	1,240
Derivative financial liabilities	1,745	1,112	-	-	2,857

31 March 2024	Contractual cash flows				
	< 1 year	1 < 4 years	4 < 9 years	> 9 years	Total
Non-derivative financial liabilities					
Borrowings (non-current)*	33,864	151,790	211,373	11,916	408,943
Borrowings (current)	80,296	-	-	-	80,296
Trade payable	64,661	-	-	-	64,661
Other financial liabilities	8,894	6,724	14,009	22,414	52,041
Payments for leases (note 34)	367	426	204	-	997
Derivative financial liabilities	68	434	-	-	502

*Includes current maturities, interest accrued but not due on non-current borrowings and future interest obligations.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is exposed to different types of market risks. The market risk is the possibility that changes foreign currency exchange rates, interest rates and commodity prices which may affect the value of the Group's financial assets, liabilities or expected future cash flows.

The fair value information presented below is based on the information available with the management as of the reporting date.

(c.1) Foreign currency exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The risk of fluctuations in foreign currency exchange rates on its financial liabilities including borrowing, trade and other payable etc., are mitigated through the natural hedge alignment on bulk of its revenue, as Group's major products net prices are predominantly linked to US dollars and such economic exposure provides natural alignment. The effects of exchange rate fluctuations in US Dollar/INR are absorbed through revenue generation linked to the currency movement. The Group also uses exchange contracts to hedge its currency risk. The Group does not use derivative financial instruments for trading or speculative purposes.

The foreign currency exchange management policy is to minimize economic and transactional exposures arising from currency movements against the US dollar and Euro. The Group manages the risk by netting off naturally-occurring opposite exposures wherever possible, and then dealing with any material residual foreign currency exchange risks if any.

A reasonably possible strengthening/weakening of the Indian Rupee against such foreign currency as at 31 March 2025 would have affected profit or loss and other equity by the amounts shown below. This would not impact the profit and loss entirely as certain portion of foreign exchange loss/(gain) is being added/(deducted) to/from the value of property, plant and equipment. This analysis assumes that all other variables remain constant and ignores any impact of forecasted sales and purchases.

1% movement	Profit before tax for the year ended 31 March 2025		Profit before tax for the year ended 31 March 2024	
	Strengthening	Weakening	Strengthening	Weakening
USD	2,428	(2,428)	3,311	(3,311)
EURO	13	(13)	2	(2)
	2,441	(2,441)	3,313	(3,313)

(c.2) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Long term borrowings, short term borrowings, acceptances and long term deposits carrying floating interest rates expose the Group to interest rate risk arising from the possible movement of variable elements of the overall interest rate. Interest rate swaps are utilized to manage the interest rate exposure of the debt based on Group's policy.

If the interest rates applicable to floating rate instruments is increased/decreased by 1%, the profit before tax for the year ended for 31 March 2025 would decrease/increase by INR 2,755 million (31 March 2024 : INR 1,539 million). This assumes that the amount and mix of fixed and floating rate debt (net of interest rate swap) remains unchanged during the year from that in place as at year end and that the change in interest rates is effective from the beginning of the year.



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

(c.3) Commodity price risk

The Company is exposed to market risks related to price volatility of crude oil and sale price of its refined products. The Company uses commodity derivative instruments to manage these exposures on a portion of its activity, including firm commitments and anticipated transactions for the purchase of crude oil and sale of products. Commodity derivatives are used exclusively as risk management tool to safeguard the price basis risk on purchase of crude oil on different benchmark basis, price timing mismatches on crude oil and product pricing mismatches and safeguard product margins on sale of refined products besides protecting the inventory valuations where applicable. The Company employs specific financial instruments namely swaps and basis swaps for hedging its pricing risk related to commodities. As on 31 March 2025 some of these hedging positions on benchmark mismatches (basis swaps) remained open to be settled at a later date. As per policy, all the derivative positions undertaken are settled on maturity.

The impact of increase or decrease by \$1/bbl on open hedges as on 31 March 2025 in the statement of profit and loss assuming all other variables remain constant is as under:

Increase by \$1/bbl in Dated Brent Dubai differential would result in profit of INR 73 million (31 March 2024 : INR 217 million)

Above would have a reverse impact on decrease by \$1/bbl on open hedges

The impact of increase or decrease would be offset by the changes in physical sales/purchase and revenue/cost except for inventory which is only for valuation purposes and will not have any compensating cash flow from physicals.

28. Capital management

The Group's capital management objectives are to ensure its ability to continue as a going concern and to optimize the cost of capital in order to enhance value to shareholders.

The Group manages its capital structure and makes adjustments to it as and when required. To maintain or adjust the capital structure, the Group may pay dividend or repay debts, raise new debt or issue new shares. No major changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2025 and 31 March 2024.

The Group capital consists of equity attributable to equity holders that includes equity share capital, other equity and long term borrowings.

	31 March 2025	31 March 2024
Equity share capital and other equity (a)	150,877	160,921
Non-current borrowings (b)*	282,917	286,238
Total capital (c) = (a) + (b)	433,794	447,159
Long term borrowings (b) / Total capital (c)	65%	64%

*Includes current maturities of non-current borrowings.

In order to achieve the overall objective, the Group capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest bearing borrowings in the current and previous financial year.

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29. Employee benefits expenses

29.1 Defined contribution plan

The Group makes contribution towards provident fund for employees. The Group's contribution to the Employees Provident Fund is deposited to the government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. During the year, the Group has recognised INR 306 million (31 March 2024 : INR 280 million) in the consolidated statement of profit and loss.

29.2 Gratuity

The Group has a defined benefit gratuity plan as per the provision of the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service, gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. Group has created a fund with insurance companies in the form of a qualifying insurance policy, to cover the entire liability.

The following tables summarize the components of net benefit expense recognised in the consolidated statement of profit and loss, the funded status and amounts recognised in the balance sheet for the gratuity plans.

(i) Expenses recognised under employee benefits expense

(a) Expense recognized in the consolidated statement of profit and loss

Particulars	31 March 2025	31 March 2024
Current service cost	108	103
Net interest expenses	7	12
Amount to be recognised in the consolidated statement of profit and loss	115	115

(b) Remeasurement recognized directly in other comprehensive income

Particulars	31 March 2025	31 March 2024
Return on plan assets (excluding interest income)	1	1
Net actuarial (gain)/loss recognized in the year		
- From changes in demographic assumptions	(42)	(3)
- From changes in financial assumptions	29	(5)
- From changes in experience adjustments	(25)	(21)
Amount to be recognized in the consolidated statement of other comprehensive income	(37)	(28)

(ii) Plan assets/(liability)

Particulars	31 March 2025	31 March 2024
Present value of defined benefit obligation	1,020	931
Fair value of plan assets	942	845
Plan assets/(liability)	(78)	(86)

Note: The Group is maintaining a fund with the insurance companies to meet its gratuity liability. The present value of the plan assets represents the balance available with the insurance companies as at the end of the year as certified by them.

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2025	31 March 2024
Opening defined benefit obligation	931	865
Current service cost	108	103
Interest cost	69	63
Benefits paid	(50)	(71)
Actuarial (gain)/loss on obligation		
- Actuarial (gain)/loss - demographic assumptions	(42)	(3)
- Actuarial (gain)/loss - financial assumptions	29	(5)
- Actuarial (gain)/loss - experience adjustments	(25)	(21)
Closing defined benefit obligation	1,020	931

Changes in the fair value of plan assets are as follows:

Particulars	31 March 2025	31 March 2024
Opening fair value of plan assets	845	703
Expected return	62	51
Contributions by employer	85	162
Fund charges	-	-
Benefits paid	(50)	(71)
Closing fair value of plan assets	942	845



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

(iii) The principal assumptions used in determining gratuity benefit obligations for the Group's plans are shown below:

Particulars	31 March 2025	31 March 2024
Discount rate	6.92%	7.21%
Future salary increase	7.90%	8.03%
Attrition rate		
- Up to 30 years	6.83%	3.97%
- From 31 to 44 years	3.68%	4.27%
- Above 44 years	2.17%	5.90%
Mortality rates inclusive of provision for disability (Indian Assured Lives Mortality)	100% (2012-14)	100% (2012-14)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Sensitivities due to mortality and withdrawals are not material and hence the impact of change due to these is not disclosed.

(iv) A quantitative sensitivity analysis of the changes in the defined benefit obligation due to changes in significant assumption as at 31 March 2025 is as shown below:

Assumptions	Sensitivity Level	31 March 2025	31 March 2024
Discount rate	0.5 % increase	(39)	(32)
	0.5 % decrease	41	34
Future salary increases	0.5 % increase	15	15
	0.5 % decrease	(16)	(15)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Consolidated Balance Sheet.

The method and types of assumptions used in the preparing the sensitivity analysis did not change compared to the prior period.

(v) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	31 March 2025	31 March 2024
Investment with insurer	100%	100%

The Group contributes all ascertained liabilities towards gratuity in insurer managed funds.

(vi) Risk exposure

The Group is exposed to the following risk:

- Interest rate risk:** The defined benefit obligation is calculated using the discount rate based on government bonds. If bond yields fall the defined benefit obligation will tend to increase.
- Salary inflation risk:** The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of the participant in future. Deviation in the rate of increase of salary is future for plan participants from the rate of increase in salary used to determine the present value of obligation will have bearing on the plan's liability.
- Mortality rate:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(vii) The Group expects to contribute INR 78 million (31 March 2024 : INR 86 million) towards the plan assets in the next one year.

(viii) Maturity profile of defined benefit obligation

Year	31 March 2025	31 March 2024
0 to 1 year	119	118
1 to 2 year	74	70
2 to 3 year	67	72
3 to 4 year	68	64
4 to 5 year	61	62
5 to 6 year	56	55
6 year onwards	575	490

(ix) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 10.05 years (31 March 2024 : 9.79 years) of HMEL, 16.06 years (31 March 2024 : 15.38 years) of HMPL, 16.08 years (31 March 2024 : 16.93 years) of HOPL and 16.99 years (31 March 2024 : 18.09 years) of HMF.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in million Indian Rupees, unless otherwise stated)

30. Settlement of deferred sales tax loan

As per the provisions of the Deed of Assurance (DoA) dated 12 August 2005, signed by the Company with the Government of Punjab (GoP), the Company is entitled for the deferment of Central Sales Tax (CST) for a period of 15 years from the date of commercial production i.e. 3 December 2011, a date which has been recognised and approved by the Empowered Committee of GoP. The deferment of CST is allowed to the extent of 300% of fixed capital investment. The deferred CST is repayable, free of interest, from 16th year onwards in 30 half-yearly instalments. Punjab VAT Act, 2005 vide notification no. S.O. 21/P.O.5/2005/S, 92/2005 dated 6 April 2005 ('Punjab VAT notification'), also prescribed mechanism for payment of deferred CST liability on a net present value basis.

As per the provisions of the DoA, the Company was also entitled to an Interest Free Loan ('IFL') of INR 12,500 million which was to be disbursed by GoP in equal monthly instalments over a 5 year period starting from the date of commencement of commercial production. Further, as per the terms of the DoA, in the event of non-payment of IFL, the Company is eligible to unilaterally adjust the undisbursed loan amount in subsequent month from its sales tax dues or such other payment due to GoP. During the year ended 31 March 2015, the GoP disbursed INR 100 million as IFL against the entitled limit of INR 12,500 million and no further amounts disbursed by GoP. Therefore, the Company exercised its unilateral right for adjustment of undisbursed IFL from the dues to the government and settled the deferred CST liabilities at net present value after adjusting the same with undisbursed IFL of INR 12,400 million.

The Company based on the legal opinions settled the CST liability of INR 59,137 million upto December 2020 for a Net Present Value (NPV) of INR 12,400 million by discounting the gross CST liability using an appropriate interest rate for adjustment with undisbursed IFL of INR 12,400 million. Consequentially, a cumulative gain of INR 46,140 million was accounted for in the books of accounts in earlier years.

Subsequent to the adjustment of net present value of deferred CST with undisbursed IFL of INR 12,400 million, the Company has deferred CST liabilities of INR 54,786 million (31 March 2024 : INR 42,026 million) pertaining to the period thereafter in accordance with the terms of the DoA. The initial fair value of the deferred CST liabilities has been classified as deferred payment liabilities and the carrying values of such liabilities is INR 30,161 million (31 March 2024 : INR 21,576 million) and is presented under note 11.5. The differential between the amount of CST collected and the initial fair value of the deferred payment liabilities is recognised as a government grant and included in 'Other liabilities' under note 14.

The GoP, through a notification dated 7 January 2022, constituted a committee to look into the settlement of IFL. As per the notification, the Committee was required to submit its report by 31 March 2022 to GoP. There is no progress in this matter till date.

During the financial year 2022-23, the Company received an assessment order dated 16 March 2022 pertaining to the financial year 2016-17 under the Punjab Value Added Tax Act, 2005. This was in continuation of earlier assessment orders for the financial years 2014-15 and 2015-16 dated 7 September 2021 and 23 December 2021, respectively, which were received during the financial year 2021-22.

In these assessment orders, the Excise and Taxation Department of Punjab held that the Company had incorrectly adjusted the undisbursed portion of the Interest Free Loan (IFL) against its Central Sales Tax (CST) liability, based on the provisions of the Deed of Assurance (DoA). The department concluded that the Company is liable to repay the deferred CST collected upon expiry of the deferment period.

The Company contested the orders and filed appeals before the Deputy Excise and Taxation Commissioner (Appeals). The appellate authority has disposed of these appeals by setting aside the original assessment orders and remanding the cases back to the Assessing Officer (AETC-cum-Designated Officer, Bathinda) for fresh adjudication.

As per the said order the reassessment is to be undertaken in light of the recommendations of the previously mentioned committee constituted by the Government of Punjab on the matter.

The final outcome of these reassessment proceedings is currently pending and will be monitored by the Company. Based on the facts and legal interpretation, management believes that it has a valid reasons to defend its position and does not expect any material adjustment to the financial statements as a result of the same.

31. Commitments**(a) Capital commitment**

Estimated amount of contracts remaining to be executed on capital account and not provided for amount to INR 10,199 million (31 March 2024 : INR 2,690 million), net of advances amounting to INR 328 million (31 March 2024 : INR 1,190 million).

(b) Other commitments

Apart from the commitments disclosed above, the Group has no major financial commitments other than those in the nature of regular business operations.

32. Segment information

The Group is engaged in one segment i.e. refining of crude oil, production of hydrocarbons and petrochemicals. Hence there is no separate reportable segment as per Ind AS 108 'Operating segments'.

Other information

Revenue and receivables are specified by location of customers while the other geographic information is specified by location of the assets. The following tables present revenue and certain asset information regarding the Group's geographical segments:

Particulars	Non-current operating assets		Revenue	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
India	516,138	522,000	982,243	905,719
Outside India	-	-	12,751	7,586
	516,138	522,000	994,994	913,305

Note: Non-current operating assets includes property, plant and equipment, intangible assets (net of depreciation and amortisation cost), capital work in progress and intangible assets under development.

Information about major customers

Revenue of INR 789,110 million (31 March 2024 : INR 781,733 million) for sale of products from a single customer. No other single customer contributed to ten percent or more to the Group's revenue for the year ended 31 March 2025 and 31 March 2024.



33. Contingent liabilities and contingent assets

(a) Contingent liabilities

Claims against the Group not acknowledged as debt

S.No.	Particulars	31 March 2025	31 March 2024
1.	Payment of deficit stamp duty on execution of Infrastructure Use Agreement	10	10
2.	Claims made by landowner's for additional compensation	77	77
3.	Claims raised by project vendors	180	2,785
4.	Penal demand raised by income tax department	17	17
5.	Demand for service tax/Punjab infrastructure development fund (PIDF) and penalty raised by service tax department	295	297
6.	Disallowance of cenvat credit of Excise/Service tax and GST including penalty by department	1,550	1,489

Note: Excludes statutory interest which is subject to final order.

Based on a review of the legal position, the management believes that it is possible, but not probable, that the demands mentioned above will arise and accordingly, no provision for any liability has been made in these consolidated financial statements.

The Group has outstanding demand in relation to excise duty on intermix product (including penalty) amounting to INR 12,381 million till financial year 2023-24 and received similar demand during the financial year 2024-25 amounting to INR 3,643 million, total outstanding amount is INR 16,024 million. The Group has contested the same and have received favourable order amounting to INR 7,730 million from various authorities including CESTAT. As the Group has received favourable order from CESTAT, Chandigarh during the financial year 2024-25, it is highly probable that demand mentioned above will not materialize. Therefore, no provision for liability has been made in these consolidated financial statements.

Additionally, a demand of INR 3,878 million (31 March 2024 : INR Nil) has been raised for higher GST on LPG supplied for domestic use during the period 1 July 2017 to 24 January 2018. The Government clarification of January 2018 stating that reduced GST would apply on such supplies has been interpreted by the tax authorities as being applicable from the date of the notification. The Group believes that this should apply retrospectively from date of implementation of GST in July 2017 and hence the liability is remote.

(b) Contingent assets

The Group does not have any contingent assets as on 31 March 2025 and 31 March 2024.

34. Leases

The Group has lease contracts for various items of land, buildings and plant & machinery used in its operations. Lease of buildings generally have lease terms between 3 to 9 years, plant & machinery generally have lease term between 2 to 3 years while land have lease terms for 11 years.

The following are the carrying amounts of right-of-use assets recognised and movement during the year ended 31 March 2025 and 31 March 2024:

Particulars	Class of right-of-use assets			Total
	Land	Buildings	Plant and equipment	
As at 1 April 2023	315	180	270	765
Additions	-	218	93	311
Deductions/remeasurement	-	-	-	-
Depreciation expense	(42)	(82)	(176)	(300)
As at 31 March 2024	273	316	187	776
Additions	-	648	-	648
Deductions/remeasurement	(30)	(106)	-	(136)
Depreciation expense	(41)	(98)	(181)	(320)
As at 31 March 2025	202	760	6	968

The following are the carrying amounts of lease liabilities and movement during the year ended 31 March 2025 and 31 March 2024:

Particulars	31 March 2025	31 March 2024
Opening balance	836	804
Additions during the year	617	304
Interest expense on lease liability	58	72
Deductions/remeasurement during the year	(136)	(16)
Payment of lease liabilities	(374)	(328)
Closing balance	1,001	836

Lease liabilities carry an effective interest rate of 7.95% p.a. (31 March 2024 : 8.20% p.a).

Closing balance includes INR 838 million (31 March 2024 : INR 524 million) as non-current and INR 163 million (31 March 2024 : INR 312 million) as current.

The contractual maturities of lease liabilities are disclosed in note 27.

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Rent expense recorded for short-term and low value leases has been included under other expenses.

35. Disclosures on audit trail

The Group has used accounting software (SAP ECC 6.0 EHP7) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all its relevant transactions recorded in the software. Complete log is available with respect to "Who" initiated the change and "When" was the change initiated for the whole year. However, the audit log to capture "What" changes were made in the database was enabled only w.e.f. 4 June 2024. The Group further has a process for requisitioning the changes and maintaining a record of all such requisitions and the users are required to make the requisitioned changes only. No instance of audit trail feature being tampered with was noted in respect of accounting software. Additionally, complete audit trail has been preserved by the Group for all transactions recorded on or after 4 June 2024 as per the statutory requirements for record retention.



36. Information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III of the Act

Particulars	Net Assets/(Liabilities) (total assets minus total liabilities)			
	31 March 2025		31 March 2024	
	Amount	As % of Consolidated net assets/(liabilities)	Amount	As % of Consolidated net assets/(liabilities)
Parent:				
HMEL	145,210	96	157,448	98
Subsidiaries:				
HMPL	18,284	12	15,947	10
HOPL	3,422	2	1,729	1
HGEPL	69	-	76	-
HRPL	2,588	2	8	-
HMF	42	-	-	-
Sub Total	169,615	112	175,208	109
Consolidation adjustments	(18,738)	(12)	(14,287)	(9)
Consolidated	150,877	100	160,921	100

Particulars	Share in profit or loss			
	31 March 2025		31 March 2024	
	Amount	As % of consolidated profit/(loss)	Amount	As % of consolidated profit/(loss)
Parent:				
HMEL	(8,205)	137	16,596	90
Subsidiaries:				
HMPL	2,329	(39)	1,855	10
HOPL	(188)	3	(22)	-
HGEPL	(8)	-	(8)	-
HRPL	6	-	(18)	-
HMF	42	(1)	-	-
Sub Total	(6,024)	100	18,403	100
Consolidation adjustments	4	-	32	-
Consolidated	(6,020)	100	18,435	100

Particulars	Share in other comprehensive income			
	31 March 2025		31 March 2024	
	Amount	As % of other comprehensive income	Amount	As % of other comprehensive income
Parent:				
HMEL	(1,460)	101	675	100
Subsidiaries:				
HMPL	8	(1)	(4)	(1)
HOPL	1	-	1	1
HGEPL	-	-	-	-
HRPL	-	-	-	-
HMF	-	-	-	-
Sub Total	(1,451)	100	672	100
Consolidation adjustments	-	-	-	-
Consolidated	(1,451)	100	672	100

Particulars	Share in total comprehensive income			
	31 March 2025		31 March 2024	
	Amount	As % of total comprehensive income	Amount	As % of total comprehensive income
Parent:				
HMEL	(9,665)	129	17,271	90
Subsidiaries:				
HMPL	2,337	(31)	1,851	10
HOPL	(187)	3	(21)	-
HGEPL	(8)	-	(8)	-
HRPL	6	-	(18)	-
HMF	42	(1)	-	-
Sub Total	(7,475)	100	19,075	100
Consolidation adjustments	4	-	32	-
Consolidated	(7,471)	100	19,107	100

Note: The amount stated above are as per the standalone financial statements of each of the individual entities, before making any adjustments for intra group transactions and/or balances.



37. Other statutory information

- (a) The Group has no transaction and outstanding balance with struck off companies.
- (b) The Group has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (d) The Group has not traded or invested in crypto currency or virtual currency

38. Interim dividend

The Board of Directors of the Company on 15 March 2025, declared an interim dividend of INR 0.32 per equity share (31 March 2024 : INR 0.7616 per equity share) for financial year 2024-25 (nominal value of equity share INR 10 each), that resulted in total dividend outgo of INR 2,573 million (31 March 2024 : INR 6,124 million).

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E/E300005

per Naman Agarwal
Partner
Membership No. 502405



Place: New Delhi
Date: 22 April 2025

For and on behalf of the Board of Directors
HPCL-Mittal Energy Limited
CIN: U33201PB2000PLC014126

Rajan Tandon
Director
DIN 01968916

Rajneesh Narang
Director
DIN 08188549

Prabh Das
Managing Director &
Chief Executive Officer
DIN 00164799

Harak Banthia
Chief Financial Officer

Sidhartha Tyagi
Company Secretary
Membership No. A 14544

Place: New Delhi
Date: 22 April 2025



FORM AOC-1

(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 statements of subsidiaries

Part "A" - Subsidiaries

(All amounts are in million Indian Rupees)

S.No.	Name of the subsidiary	HPCL-Mittal Pipelines Limited	HMEL Organics Private Limited	HMEL Green Energy Private Limited	HMEL Retail Private Limited	HPCL-Mittal Foundation
1	The date since when subsidiary was incorporated/acquired	7 January 2008	31 August 2023	1 September 2023	5 September 2023	30 October 2018
2	Reporting period	31 March 2025	31 March 2025	31 March 2025	31 March 2025	31 March 2025
3	Reporting currency	INR	INR	INR	INR	INR
4	Share capital	12,230	1,750	83	2,600	*
5	Reserves & surplus	6,054	1,672	(15)	(12)	42
6	Total assets	31,914	7,428	475	2,589	149
7	Total liabilities	13,630	4,006	407	1	107
8	Investments	-	-	-	-	-
9	Turnover	11,818	6,240	15	-	657
10	Profit before taxation	3,145	(211)	(9)	9	42
11	Provision for taxation	816	(23)	(1)	3	-
12	Profit after taxation	2,329	(188)	(8)	6	42
13	Proposed dividend	-	-	-	-	-
14	% of shareholding	100%	100%	100%	100%	100%

Notes:

1. Name of the subsidiaries which are yet to commence operations: HMEL Retail Private Limited
2. Name of the subsidiaries which have been liquidated or sold during the year: Nil
3. *Amounts are less than INR 0.5 million

For and on behalf of the Board of Directors

HPCL-Mittal Energy Limited

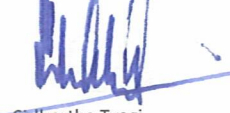
CIN: U23201PB2000PLC024126


Rajan Tandon
Director
DIN 01968916


Rajneesh Narang
Director
DIN 08188549


Prabh Das
Managing Director &
Chief Executive Officer
DIN 00164799


Harak Banthia
Chief Financial Officer


Sidhartha Tyagi
Company Secretary
Membership No. A 14544

Place: New Delhi
Date: 22 April 2025

