Making our world more productive

Sect/64
21 July 2023

The General Manager [BSE Listing Centre] **Department of Corporate Services** **BSE Limited** New Trading Ring, Rotunda Building, 1st Floor P. J. Towers, Dalal Street, Fort, Mumbai – 400 001 SCRIP CODE: 523457	The Manager [NSE NEAPS] **Listing Department** **National Stock Exchange of India Limited** Exchange Plaza, 5th Floor, Plot No. C/1, G- Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 SYMBOL: LINDEINDIA

Dear Sir/Madam,

Notice of 87th Annual General Meeting and copy of Annual Report 2022-23
(for 15 months period from 1 January 2022 – 31 March 2023)

As already informed to you earlier, the 87th Annual General Meeting (AGM) of the Members of the Company has been convened on Thursday, 17 August 2023 through Video Conference (VC) /Other Audio-Visual Means (OAVM). The Company has today commenced dispatch of the pdf copy of the Notice of its 87th AGM and Annual Report 2022-23 by e-mail to its shareholders through National Securities Depository Limited (NSDL). The aforesaid Notice and Annual Report are being sent to all the shareholders whose e-mail addresses are registered with the Company/RTA/Depositories.

The Notice of the 87th AGM contains the following agenda items:

Sl. No.	Particulars of Agenda items	Type of Resolution
1.	Adoption of Audited Standalone and Consolidated Financial Statements and Reports thereon for the 15 months period ended 31 March 2023 (from 1 January 2022 to 31 March 2023)	Ordinary Resolution
2.	Declaration of Dividend for the 15 months period ended 31 March 2023 (from 1 January 2022 to 31 March 2023)	Ordinary Resolution
3.	Re-appointment of Director retiring by rotation – Ms Mannu Sanganeria	Ordinary Resolution
4.	Re-appointment of Dr Shalini Sarin as an Independent Director of the Company for a second term of 5 consecutive years effective from 10 July 2023 to 9 July 2028	Special Resolution
5.	Approval for revision of audit fees of M/s. Price Waterhouse & Co. Chartered Accountants LLP (Firm Regn. No. 304026E/E300009), Statutory Auditors of the Company for the 15 months period ended 31 March 2023 (from 1 January 2022 to 31 March 2023)	Ordinary Resolution
6.	Ratification of remuneration of M/s. Mani & Co., Cost Auditors for the 15 months period ended 31 March 2023 (from 1 January 2022 to 31 March 2023) and financial year ending on 31 March 2024	Ordinary Resolution

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Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a pdf copy of the Notice of the 87th AGM and Annual Report 2022-23 of our Company for the 15 months period from 1 January 2022 to 31 March 2023 for your reference with a request to please disseminate them on your website for information of all the Members and Investors of our Company.

The Annual Report 2022-23 and Notice of the 87th Annual General Meeting are also uploaded on the Company's website at www.linde.in and are also available on the website of NSDL at www.evoting.nsdl.com.

You are requested to kindly take the above information on record.

Thanking you,

Yours faithfully,

AMIT DHANUKA

Digitally signed by AMIT DHANUKA
DN: c=IN, st=West Bengal,
2.5.4.20=6530d1796e85e73c94ffec38d6d24e9cd3c400c24a77ec1c987a3e657f160c09,
postalCode=700159, street=K/I/1 ASWAININAGAR RAJARHAT GOPALPUR M WEST BENGAL 700159,
pseudonym=468d556e7460f7e73e35b7df6aef9bf3,
serialNumber=e21a6333f447b014055dc0e97ea353aa76642f2cb50956c94d111868fdb5cb69,
o=Personal, cn=AMIT DHANUKA
Date: 2023.07.21 16:20:58 +05'30'

Amit Dhanuka
Company Secretary

Encl: as above

Registered Office
Linde India Limited
Oxygen House, P43 Taratala Road
Kolkata 700 088, India
CIN L40200WB1935PLC008184

Phone +91 33 6602 1600
Fax +91 33 2401 4206
customercare.lg.in@linde.com
www.linde.in

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Linde India Limited.

Notice 2022-23.*

* For 15 months period from 1 January 2022 to 31 March 2023

Notice

Notice is hereby given that the Eighty Seventh Annual General Meeting ("AGM" or "Meeting") of the Members of Linde India Limited will be held through Video Conference (VC) or Other Audio-Visual Means (OAVM) on Thursday, 17 August 2023 at 10:00 a.m. IST to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at Oxygen House, P 43, Taratala Road, Kolkata 700 088.

Ordinary Business

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the 15 months period ended 31 March 2023 (from 1 January 2022 to 31 March 2023) together with the Reports of the Board of Directors and the Auditors thereon and the Audited Consolidated Financial Statements of the Company for the 15 months period ended 31 March 2023 (from 1 January 2022 to 31 March 2023) together with the Report of the Auditors thereon.

2. To declare dividend of 120% (i.e., Rs. 12/- per equity share) inclusive of a special dividend of 75% (i.e., Rs. 7.50 per equity share) on the Equity Shares of Rs. 10/- each of the Company, for the 15 months period ended 31 March 2023 (from 1 January 2022 to 31 March 2023).

3. To appoint a director in place of Ms Mannu Sanganeria (DIN: 09243027), who retires by rotation and being eligible, offers herself for re-appointment.

Special Business

To consider and, if thought fit, to pass the following resolutions:

4. As a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), and the Nomination and Remuneration Policy of the Company, Dr Shalini Sarin (DIN: 06604529), who was appointed as an Independent Director of the Company with effect from 10 July 2018 and who holds office as such up to 9 July 2023 and being eligible and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing her candidature for the Office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of five consecutive years with effect from 10 July 2023 up to 9 July 2028, on the terms and conditions including remuneration as set out in the draft letter of appointment for Independent Directors of the Company initialed by a Director and that she shall not be liable to retire by rotation.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. As an **Ordinary Resolution**:

   "RESOLVED THAT in partial modification to the Resolution approved by the Members of the Company at the Eighty Sixth Annual General Meeting of the Company held on 23 June 2022 and pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the audit fees of M/s. Price Waterhouse & Co. Chartered Accountants LLP (Firm Regn. No. 304026E/E300009), Statutory Auditors of the Company be revised from Rs. 58,00,000/- (Rupees Fifty-Eight Lakhs only) to Rs. 67,00,000/- (Rupees Sixty-Seven Lakhs only) plus applicable taxes and out of pocket expenses that may be incurred during the course of audit, for the 15 months period ended 31 March 2023 (from 1 January 2022 to 31 March 2023)."

6. As an **Ordinary Resolution**:

   "RESOLVED THAT in partial modification to the Resolution approved by the Members of the Company at the Eighty Sixth Annual General Meeting of the Company held on 23 June 2022 and pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the cost audit fee of M/s Mani & Co., Cost Accountants (Firm Regn. No. 000004), be revised from Rs. 2,10,000/- (Rupees Two Lakh Ten Thousand only) to Rs. 2,25,000/- (Rupees Two Lakh Twenty-Five Thousand only) plus applicable taxes and out of pocket expenses that may be incurred during the course of audit, for the 15 months period ended 31 March 2023 (from 1 January 2022 to 31 March 2023) and the said cost audit fee be and is hereby ratified and confirmed.

   RESOLVED FURTHER THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the

Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s Mani & Co., Cost Accountants (Firm Regn. No. 000004), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year ending 31 March 2024 as prescribed under the Companies (Cost Records and Audit) Rules, 2014 be paid a fee of Rs. 2,10,000/- (Rupees Two Lakh Ten Thousand only) plus applicable taxes and out of pocket expenses that may be incurred during the course of audit and the said cost audit fee be and is hereby ratified and confirmed."

Registered Office:
Oxygen House
P 43 Taratala Road
Kolkata 700 088
India

By order of the Board
Linde India Limited

Sd/-
Amit Dhanuka
Membership No. ACS 23872
Company Secretary

Kolkata
23 May 2023

Notes

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 concerning the Special Business in the Notice of this Meeting is annexed hereto and forms part of this Notice. The Board of Directors have considered and decided to include item nos. 4 to 6 given above as Special Business to be transacted in the forthcoming AGM, as they are unavoidable in nature.

2. In view of continuing situation due to COVID-19 pandemic and the need to ensure social distancing to avoid the further spread of COVID-19, the Ministry of Corporate Affairs (MCA) vide its General Circular No. 10/2022 dated 28 December 2022 and SEBI vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January 2023 read with other circulars issued for this purpose from time to time have permitted the companies to conduct their AGMs through Video Conference (VC)/Other Audio-Visual Means (OAVM) facility on or before 30 September 2023 in accordance with the framework provided therein. In compliance with the applicable provisions of the Companies Act, 2013 & the Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 87th AGM of the Company will be conducted through Video Conference (VC)/Other Audio-Visual Means (OAVM) facility, which does not require physical presence of members at a common venue. The deemed venue for the 87th AGM shall be the Registered Office of the Company.

3. **A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a member of the Company.** However, in terms of the MCA Circulars and the SEBI circular, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Companies Act, 2013 will not be available for the 87th AGM. In pursuance to Section 112 and Section 113 of the Companies Act, 2013, representatives of the Corporate Members may be appointed for the purpose of voting through remote e-Voting, for participation in the 87th AGM through VC/OAVM Facility and e-Voting during the said AGM.

4. The Company has engaged National Securities Depository Limited ("NSDL") for providing facility for voting through remote e-Voting and for participation in the 87th AGM through VC/OAVM Facility and e-Voting during the 87th AGM.

5. Participation of Members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.

6. **The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 11 August 2023 to Thursday, 17 August 2023 (both days inclusive) for the purpose of the Meeting and payment of dividend.**

Others

7. In view of the requirement for mandatory dematerialization for transfer of securities as per the Regulation 40(1) of the SEBI Listing Regulations, as amended, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.

   Members holding shares in multiple folios in identical names or joint accounts in the same order of names are requested to consolidate their shareholdings into one folio.

8. Members holding shares in physical form and desirous of making/updating Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made thereunder, are requested to submit the prescribed Form No. SH-13 and SH-14, as applicable for this purpose to the Company's Registrar & Transfer Agents, KFin Technologies Ltd., who will provide the form on request. These forms are also available on the Company's website at www.linde.in under Investor Relations section. Members holding shares in dematerialised form should make/update their nomination with their Depository Participants.

9. The Securities and Exchange Board of India (SEBI) has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with PIN Code, email address, mobile number, bank account details) and nomination details by holders of securities. These details are required to be submitted by the shareholders holding shares in physical form in Form No. ISR 1. The Company had accordingly sent letters dated 22 May 2023 to all shareholders holding shares in physical form together with copies of the forms for necessary action. In case you have already provided the said forms, then you may please treat this for information purpose only.

   It is important to note that as per SEBI's Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16 March 2023, effective from 1 October 2023, any service requests or complaints received from the Members, will not be processed by the RTA till the aforesaid details/ documents are provided by shareholders to them. On or after 1 October 2023, in case any of the above cited documents/details are not available in the folio(s), the RTA shall be constrained to freeze such folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at www.linde.in.

10. Members are requested to contact the Company's Registrar & Transfer Agents, KFin Technologies Ltd. for reply to their queries/redressal of complaints, if any, relating to dividend, or contact the Secretarial Department of the Company by sending an email to investor.relations.in@linde.com.

11. Since the AGM will be held through VC/OAVM in accordance with the MCA Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

Electronic despatch of Annual Report and process for registration of email id for obtaining copy of Annual Report

12. In accordance with the MCA's General Circular No. 10/2022 dated 28 December 2022 read with other circulars issued for this purpose from time to time and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January 2023 issued by SEBI, the Annual Report along with the Notice of the 87th AGM, and instructions for e-voting are being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/Depository Participants. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website at www.linde.in, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at https://www.evoting.nsdl.com. The Company will also be sending printed copies of the Annual Report 2022-23 to the shareholders on receipt of specific request.

13. Members holding share(s) in physical mode, who have not updated their email addresses are requested to update the same on the RTA's shareholder registration portal at https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx. Alternatively, Members can fill and send the signed "Email Registration Form" at the earliest to the Company by email at investor.relations.in@linde.com with a copy to the RTA's email id at einward.ris@kfintech.com. This form is available on the Company's website at www.linde.in under the Investor Relations section.

    Members holding share(s) in electronic form are requested to register/update their email addresses with their respective Depository Participant(s).

Procedure for joining the AGM through VC/OAVM

14. Members may join the 87th AGM through VC/OAVM facility by following the procedure as mentioned below, which shall be kept open for the Members from 9:30 a.m. IST, i.e., 30 minutes before the time scheduled to start the 87th AGM and shall be kept open throughout the proceedings of the AGM.

15. Members may note that the VC/OAVM facility, provided by NSDL, has capacity to allow participation of at least 1,000 Members on a first-come first-serve basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, auditors, etc. can attend the 87th AGM without any restriction on account of first-come first-serve basis.

16. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same by following the steps mentioned in Note 30 E-voting: under the sub head "Step 1: Access to NSDL e-Voting system". After successful login, you can see "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in Note 30 (E-voting) in the Notice to avoid last minute rush.

17. Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot, may experience Audio/Video loss due to fluctuation in their respective network. It is therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

18. Members who need assistance before or during the AGM with use of technology, can:

    - Send a request at evoting@nsdl.co.in or contact at : 022 - 4886 7000 and 022 - 2499 7000; or

    - Contact Ms. Pallavi Mhatre, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in or pallavid@nsdl.co.in.

Procedure to raise questions/seek clarifications with respect to Annual Report

19. As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number/folio number, email id, mobile number at investor.relations.in@linde.com. Questions/queries to be received by the Company through email between Thursday, 3 August 2023 to Thursday,10 August 2023 shall only be considered and responded during the AGM.

20. **Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by using the login method explained at Note 30 E-voting: under the sub head "Step 1: Access to NSDL e-Voting system" from 9:00 a.m. IST on Monday, 14 August 2023 to 5:00 p.m. IST on Tuesday, 15 August 2023. After successful login, Members will be able to register themselves as a speaker shareholder by clicking on the link available against the EVEN of Linde India Limited.**

21. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

Dividend related information

22. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Thursday, 10 August 2023, i.e., the date prior to the commencement of book closure will be entitled to payment of Dividend for the 15 months period ended 31 March 2023, as recommended by the Board, if approved at the AGM.

23. As per the SEBI Listing Regulations, the Company shall use any of the electronic mode of payment facility approved by the Reserve Bank of India for the payment of dividend. To avoid delay in receipt of dividend, Members holding shares in demat mode are requested to submit/update their Bank details viz. Bank Account Number, Name of the Bank, Branch details, MICR Code, IFS Code to the Depository Participants with whom they are maintaining their demat account.

    Members holding share(s) in physical mode and who have not updated their bank mandates are requested to update them as per instructions contained in Note 9 hereinabove.

    For Members who have not updated their bank account details, dividend warrants/demand drafts/cheques will be sent out to their registered addresses as soon as possible.

24. Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1 April 2020 shall be taxable in their hands. The Company shall therefore be required to deduct tax at source (TDS) as applicable at the time of making the payment of dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents as mentioned below in accordance with the provisions of the IT Act.

    Resident Shareholders

    For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid PAN	10%
Members not having PAN/ valid PAN/ Specified persons* as per Section 206AB	20% as per Section 206AA/206AB of the IT Act

Shareholders are requested to ensure Aadhar number is linked with PAN, as per the timelines prescribed. In case of failure of linking Aadhar with PAN within the prescribed timelines, PAN shall be considered inoperative and, in such scenario, tax shall be deducted at higher rate of 20% under Section 206AA of the IT Act.

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2023-24 does not exceed Rs 5,000 and also in cases where Members provide Form 15G/Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding tax. PAN is mandatory for Members providing Form 15G / 15H or any other document as mentioned above.

With respect to shareholders being Mutual Funds, self-attested copy of registration certificate with SEBI and PAN card along with self-declaration that the mutual fund is a notified Mutual Fund u/s 10(23D)(ii) of the IT Act, 1961 will be required for non-deduction of TDS.

With respect to shareholders being Insurance Companies, documentary evidence that the provisions of Section 194 of the IT Act, 1961 are not applicable along with self-attested copy of PAN card will be required for non-deduction of TDS.

With respect to shareholders submitting order under Section 197 of the IT Act, lower/NIL withholding tax certificate obtained from Income Tax authorities along with self-attested copy of PAN card will be required. Accordingly, rate of tax mentioned in the order under Section 197 of the IT Act will be taken for the purpose of withholding tax.

With respect to shareholders being Alternative Investment Fund (AIF), a declaration that its income is exempt under Section 10(23FBA) of the IT Act and that they are established as Category I or Category II AIF under the SEBI Regulations will be required. Further, self-attested copy of registration documents and PAN card will also be required for non-deduction of TDS.

In case of entities exempt under Section 10 of the IT Act, the authorized signatory shall submit the declaration duly signed with stamp affixed for the purpose of claiming exemption from TDS (entities as provided in Circular No.18 of 2017) along with self-attested copy of PAN card.

With respect to shareholders being corporation established by or under a Central Act/ State Act which is, under any law for the time being in force, exempt from income- tax on its income including entities in which such corporations are the beneficial shareholders, any documentary evidence that the person is covered under Section 196 of the Act along with self-declaration and self-attested copy of PAN card.

Non – Resident shareholders

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections (if any) of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the Member, if they are more beneficial to them. For this purpose, i.e., to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the Member
- Copy of Tax Residency Certificate (TRC) for the FY 2023-24 obtained from the revenue authorities of the country of tax residence, duly attested by Member
- Electronically furnished Form 10F. However, as per Circular F. No. DGIT(S)-ADG(S)-3/e-Filing of notification/ Forms/2022/9227 dated 12 December 2022 and Circular F. No. DGIT(S)-ADG(S)-3/e-Filing Notification/Forms/2023/ 13420 dated 28 March 2023, non-resident taxpayers who are not having PAN and not required to have PAN as per provisions of the IT Act read with Income tax Rules, 1962 are exempted from mandatory filing of Form 10F till 30 September 2023 and such shareholders can file Form 10F in manual form.
- Self-declaration by the shareholder having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by Member.

The Company is not obligated to automatically apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of Tax Treaty rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the non-resident shareholders.

In case of Foreign Institutional Investors/ Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess).

For other non-resident shareholders without PAN/Invalid PAN/ non-compliance of Section 206AB of the Act, tax shall be deducted at higher rates mentioned in Section 206AA/206AB of the IT Act (plus applicable surcharge and cess).

With respect to shareholders being Sovereign Wealth Fund, Pension Funds, other bodies notified under Section 10(23FE) of the IT Act, self-declaration substantiating the fulfillment of conditions prescribed under Section 10(23FE) of the IT Act will be required for non-deduction of TDS.

With respect to the shareholders who are tax residents of Notified Jurisdictional Area as defined under Section 94A(1) of the IT Act, withholding tax shall be @ 30%.

***Section 206AB of the IT Act - High rate for non-filers**

TDS to be deducted at higher rate in case of non-filers of Return of Income.

The Finance Act, 2021, has *inter-alia* inserted the provisions of Section 206AB of the IT Act with effect from 1 July 2021. The provisions of Section 206AB of the IT Act require the deductor to deduct tax at higher of the following rates from amount paid/ credited to 'specified person':

i. At twice the rate specified in the relevant provision of the IT Act; or
ii. At twice the rates or rates in force; or
iii. At the rate of 5%

In cases where Sections 206AA (Non-PAN) and 206AB are applicable i.e. the shareholder has not submitted the PAN as well as not filed the return, tax will be deducted at higher of the two rates prescribed in these sections.

The 'specified person' means a person who has:
(a) Not furnished return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit of filing return of income under sub-section (1) of Section 139 has expired; and
(b) Subjected to tax deduction/collection at source in aggregate amounting to Rs.50,000 or more in such preceding previous year.

Non-applicability - The non-resident who does not have a permanent establishment in India.

In terms of Rule 37BA of the Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should send a duly signed declaration with details of actual beneficial owner in excel sheet. Declaration should be filed within 15 days of record date for the purpose of payment of Dividend. Declaration filed after the said period would not be entertained by the Company.

Members may please note that in case the tax on said dividend is deducted at a higher rate in absence of receipt, non-compliance of prescribed procedure or insufficiency of the aforementioned details/documents from you, an option is available to you to file the return of income as per IT Act and claim appropriate refund, if eligible, but no claim shall lie against the Company for such taxes deducted. Shareholders, whose valid PAN is updated, will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account.

25. In terms of Sections 124 and 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the IEPF Rules') as amended from time to time, the amount of dividend remaining unpaid or unclaimed for a period of seven consecutive years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

    Members who have not encashed their dividend warrant(s) for any one or more of the financial year(s) viz. year ended on 31 December 2015, 31 December 2016, 31 December 2017, 31 December 2018, 31 December 2019, 31 December 2020 and 31 December 2021 are requested to send their claims to the Company or its Registrar & Transfer Agents, KFin Technologies Ltd., Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 for the same. The due dates for transfer of the aforesaid unpaid/unclaimed dividend to IEPF are as follows:

Dividend for the year ended	Due date for transfer to IEPF
Year Ended 31 Dec. 2015 (61st Dividend)	25 June 2023
Year Ended 31 Dec. 2016 (62nd Dividend)	25 May 2024
Year Ended 31 Dec. 2017 (63rd Dividend)	23 May 2025
Year Ended 31 Dec. 2018 (64th Dividend)	22 June 2026
Year Ended 31 Dec. 2019 (65th Dividend)	25 Oct. 2027
Year Ended 31 Dec. 2020 (66th Dividend)	31 July 2028
Year Ended 31 Dec. 2021 (67th Dividend)	30 July 2029

26. Members are requested to note that pursuant to the applicable provisions of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all such shares in respect

of which dividend has not been paid or claimed for seven consecutive years are required to be transferred to the demat account of the IEPF Authority. In line with the said provisions, during the period from 1 January 2022 to 31 March 2023, the Company had issued individual notices dated 17 March 2022 to those shareholders whose dividends remained unpaid/unclaimed for seven consecutive years, i.e., 60th dividend for the FY ended 31 December 2014 to 66th dividend for the FY ended 31 December 2020. The Company had also published a notice dated 17 March 2022 in the Kolkata editions of Business Standard (English) and Aaj Kaal (Bengali) on 18 March 2022 in connection with transfer of such equity shares of the Company to the demat account of the Investor Education and Protection Fund Authority. Similarly, the Company had also issued individual notices dated 24 March 2023 to those shareholders whose dividends remained unpaid/unclaimed for seven consecutive years, i.e., 61st dividend for the FY ended 31 December 2015 to 67th dividend for the FY ended 31 December 2021. The Company had also published a notice dated 24 March 2023 in the Kolkata editions of Business Standard (English) and Aaj Kaal (Bengali) on 25 March 2023 and 26 March 2023 respectively in connection with transfer of such equity shares of the Company to the demat account of the Investor Education and Protection Fund Authority.

Any shareholder having a claim for the 61st (unpaid/unclaimed) Dividend was requested to submit the claim to the Company by email within 16 June 2023 as the Company would initiate action for closure of the 61st Dividend Account thereafter.

27. In compliance with the aforesaid provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company had submitted the corporate action information form of NSDL to its Registrar and Transfer Agents on 21 July 2022 for transfer of 20,246 shares of the Company to the Demat Account of the IEPF Authority, which were subsequently transferred to the Demat Account of the IEPF Authority on 23 July 2022 and 2 August 2022 on execution of the corporate action by the RTA. The details of shares transferred are as follows:

Shares held in	Number of records	Number of shares
Physical Form	151	19,223
NSDL	03	814
CDSL	03	209
Total	**157**	**20,246**

28. Members are informed that once the unpaid/unclaimed dividend or the shares are transferred to IEPF, the same may be claimed by the concerned shareholders/claimants from the IEPF Authority by making an online application in prescribed Form IEPF-5 and sending the physical copy of the same duly signed along with requisite documents to the Registered Office of the Company for verification of the claim. The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended and the application form (Form IEPF-5), as prescribed by the MCA for claiming back of the shares/dividend, are available on the website of the Company at www.linde.in as well as on the website of IEPF at www.iepf.gov.in.

Procedure for inspection of documents

29. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules made thereunder and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, and other relevant documents in respect of the proposed resolutions, if any, would be made electronically available at the commencement of the Meeting and shall remain open and accessible to the Members during the Meeting. All documents referred to in the Notice will also be available for inspection by the Members at the Registered Office of the Company without any fee on all working days except Saturdays, Sundays and public holidays between 11:00 a.m. to 1:00 p.m. IST up to the date of AGM, i.e., 17 August 2023. Members seeking to inspect such documents can send an email to investor.relations.in@linde.com.

Procedure for remote E-voting and E-voting during the AGM

30. **E-voting:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI Listing Regulations and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December 2020 in relation to e-Voting facility provided by Listed Entities, the Company is pleased to provide to the Members facility of voting by electronic means in respect of businesses to be transacted at the 87th Annual General Meeting which includes remote e-voting (i.e. voting electronically from a place other than the venue of the general meeting) and voting during the AGM through an electronic voting system. As mentioned in the Note 4 above, the Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting by electronic means.

The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Thursday, 10 August 2023, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

I. **Procedure for E-voting:**

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

Step 1: Access to NSDL e-Voting system

Step 2: Cast your vote electronically and join the AGM by VC/OAVM (virtual meeting) on NSDL e-Voting system.

Details on Step 1 (Access to NSDL e-Voting system) is mentioned below:

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

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December 2020 on "e-Voting facility provided by Listed Entities", Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**A. NSDL IDeAS facility** **If you are already registered for NSDL IDeAS facility, follow the below steps:** 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. 2. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under **"Login"** which is available under **"IDeAS"** section. 3. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services under Value Added Services. 4. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. 5. Click on options available against company name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. **If you are not registered with NSDL IDeAS facility, follow the below steps:** 1. Option to register is available at https://eservices.nsdl.com 2. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Please follow steps given in points 1-5 (A. NSDL IDeAS facility). **B. e-Voting website of NSDL** 1. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile phone. 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 3. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. 4. After successful authentication, you will be redirected to NSDL website wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and e-Voting during the meeting. **C. e-Voting using NSDL Mobile App** Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. 2. Upon logging in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 – 4886 7000 and 022 – 2499 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

D. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode

How to Log-in to NSDL e-Voting website?

(a) Visit the e-voting website of NSDL. Open web browser by typing the URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.

(b) Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder/ Member' section.

(c) A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services, i.e., IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2, i.e., Cast your vote electronically.

(d) Your User ID details are given below:

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

(e) Password details for shareholders other than individual shareholders are given below:

i. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

ii. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

iii. How to retrieve your 'initial password'?

- If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- If your email ID is not registered, please follow instruction mentioned in Note 13 above.

(f) If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:

i. Click on **'Forgot User Details/Password?'** (if you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

ii. **'Physical User Reset Password?'** (if you are holding shares in physical mode) option available on www.evoting.nsdl.com.

iii. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

iv. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

(g) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

(h) Now, you will have to click on "Login" button.

(i) After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 (Cast your vote electronically and join the AGM by VC/OAVM (virtual meeting) on NSDL e-Voting system) is mentioned below:

How to cast your vote electronically on NSDL e-voting system?

(a) After successful login at Step 1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle and General Meeting is in active status.
(b) Select 'EVEN' of Company for which you wish to cast your vote during the remote e-Voting period and cast your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
(c) Now you are ready for e-voting as the voting page opens.
(d) Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
(e) Upon confirmation, the message 'Vote cast successfully' will be displayed.
(f) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
(g) Once you confirm your vote on the resolution(s), you will not be allowed to modify your vote.

II. **Instructions for Members for E-Voting during the 87th AGM:**

(a) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
(b) Only those Members, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
(c) Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
(d) For details of the person who may be contacted for any assistance connected with the facility for e-voting on the day of the AGM, please refer to Note 18 above.

III. **General Information:**

(a) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.
(b) **The voting rights shall be as per the number of equity shares held by the Member(s) as on Thursday, 10 August 2023, being the cut-off date.** Members are eligible to cast vote electronically only if they are holding shares as on that

date. In case of joint holders, only one of the joint holders may cast his/her vote.

(c) Mr P K Sarawagi (Membership No. FCS-3381) of M/s P Sarawagi & Associates, Company Secretaries (C. P. No. 4882), whom failing, Mr S. M. Gupta (Membership No. FCS-896) of M/s S. M. Gupta & Co., Company Secretaries (C. P. No. 2053), who have individually consented to the Company to act as the Scrutinizer, have been appointed by the Board of Directors as the Scrutinizer to scrutinize the voting process for the 87th Annual General Meeting of the Company in a fair and transparent manner and submit the Scrutinizer's Report of the total votes cast to the Chairman or a person authorized by him in writing.

(d) The results of the electronic voting shall be declared to the Stock Exchanges after the conclusion of AGM. The declared results along with the Scrutinizer's Report will be available on the Company's website at www.linde.in and on the website of NSDL at www.evoting.nsdl.com and will also be displayed on the Notice Board of the Company at its Registered Office. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM.

(e) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on 022 – 4886-7000 and 022 – 2499 7000 or send a request to Ms Pallavi Mhatre at evoting@nsdl.co.in. Members may also write to the Company Secretary at the Company's email address at investor.relations.in@linde.com.

(f) Members of the Company under the category of Corporate and Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM. Corporate and Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer@linde.com with a copy marked to evoting@nsdl.co.in and can also upload these documents by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

IV. Other Instructions:

(a) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date, i.e., 10 August 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company/RTA. However, if such shareholders are already registered with NSDL for remote e-voting, they can use their existing user ID and password for casting their vote. In case such shareholders forgot password, they can reset the password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call at 022 – 4886-7000 and 022 – 2499-7000.

In case of Individual Shareholders holding securities in demat mode, who acquires shares of the Company and becomes a Member after dispatch of the Notice and holding shares as of the cut-off date i.e. 10 August 2023, he/she may follow steps explained at Note 30 E-voting: under the sub head "Step 1: Access to NSDL e-Voting system".

(b) **The remote e-voting period starts on Monday, 14 August 2023 at 9:00 a.m. and ends on Wednesday, 16 August 2023 at 5:00 p.m.** During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 10 August 2023, may cast their votes electronically. The remote e-voting module will be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

(c) Members attending the meeting through VC/OAVM who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the Meeting through electronic voting system. The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

31. Appointment/re-appointment of Directors:

Additional information, pursuant to Regulation 36 of the SEBI Listing Regulations and Secretarial Standard - 2 on General Meetings, in respect of the directors seeking appointment/re-appointment at the AGM, forms part of this Notice.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 to the accompanying Notice

As the businesses specified in Item Nos. 4 to 6 of the Notice of even date, to which this statement is annexed, are items of special business to be transacted at the 87th Annual General Meeting of the Company, the following facts are set out in compliance with the provisions of Section 102 of the Companies Act, 2013. Although not statutorily required, brief details with regard to Item No. 3 regarding re-appointment of director retiring by rotation is also provided as an additional information to the Members.

Item No.3

Pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and Article 104 of the Company's Articles of Association, Ms Mannu Sanganeria (DIN: 09243027), Non-Executive Director of the Company, is required to retire by rotation at this Meeting and being eligible, has offered herself for re-appointment.

Ms Sanganeria was appointed as a Non-Executive Director of the Company on 29 July 2021. The Company has received from Ms Sanganeria (i) Consent in writing to act as Director in Form DIR-2 (ii) Intimation in Form DIR-8 to the effect that she is not disqualified under Section 164(2) of the Companies Act, 2013 and (iii) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated 20 June 2018, that she has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

In the opinion of the Board, Ms Sanganeria is a person of integrity and fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder read with the provisions of the SEBI Listing Regulations each as amended and is therefore, eligible for being re-appointed by the Members of the Company. The other requisite details of Ms Sanganeria, pursuant to Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standard on General Meetings (SS-2) are separately provided below as an additional information to the Members.

Ms Sanganeria and her relatives are concerned or interested in the proposed Resolution as it relates to her re-appointment. None of the other Directors and Key Managerial Personnel (KMPs) of the Company, either directly or through their relatives, is in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

The Board therefore, recommends the Ordinary Resolution set out at item no. 3 of the Notice for your approval.

Item No. 4

Dr Shalini Sarin was appointed as an Independent Director of the Company for a period of five years with effect from 10 July 2018 up to 9 July 2023. The Board of Directors of the Company at its meeting held on 23 May 2023, based on the recommendations of the Nomination and Remuneration Committee of the Board and as per the performance evaluation of Dr Sarin as a Member of the Board, considered that the continued association of Dr Sarin would be beneficial to the Company. The Board accordingly proposed to re-appoint Dr Shalini Sarin as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years effective from 10 July 2023 up to 9 July 2028.

Further, the Company has in terms of Section 160(1) of the Act, received a notice in writing from a Member proposing the candidature of Dr Sarin for the Office of Director. The Company has also received from Dr Sarin (i) Consent in writing to act as Director in Form DIR-2 (ii) Intimation in Form DIR-8 to the effect that she is not disqualified under Section 164(2) of the Companies Act, 2013 (iii) Declaration to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 and Regulation 25(8) of the SEBI Listing Regulations as amended and (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated 20 June 2018, that she has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

In terms of Sections 149, 152 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, and in terms of the applicable provisions of the SEBI Listing Regulations, each as amended, the re-appointment of Dr Shalini Sarin as an Independent Director of the Company for a second term commencing from 10 July 2023 up to 9 July 2028 is being placed before the Shareholders for their approval by way of a special resolution. Dr Sarin, once appointed, shall not be liable to retire by rotation.

A copy of the draft letter of appointment for Independent Directors of the Company setting out the terms and conditions would be available for inspection without any fee payable by the Members at the Registered Office of the Company on all working days of the Company between 10.00 a.m. to 5.00 p.m. up to the date of the AGM.

In the opinion of the Board, Dr Sarin is a person of integrity and fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder read with the provisions of the SEBI Listing Regulations each as amended and is independent of the management of the Company. She is therefore, eligible for being re-appointed by the Members of the Company. The other requisite details of Dr Sarin, pursuant to Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standard on General Meetings (SS-2) are separately provided below as an additional information to the Members.

Dr Sarin and her relatives are concerned or interested in the proposed Resolution as it relates to her re-appointment. None of the other Directors and Key Managerial Personnel (KMPs) of the Company, either directly or through their relatives, is in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

The Board therefore, recommends the Special Resolution set out at item no. 4 of the Notice for your approval.

Item No. 5

In view of change in financial year of the Company from January – December to April – March and extension of financial year 2022 to 15 months period from 1 January 2022 – 31 March 2023, the Board of Directors of the Company (the Board) had on the recommendation of Audit Committee of the Board, approved the revision in audit fees of M/s. Price Waterhouse & Co. Chartered Accountants LLP (Firm Regn. No. 304026E/E300009), Statutory Auditors of the Company from Rs. 58,00,000/- (Rupees Fifty-Eight Lakhs only) to Rs. 67,00,000/- (Rupees Sixty-Seven Lakhs only) plus applicable taxes and out of pocket expenses that may be incurred during the course of audit, for the 15 months period ended 31 March 2023 (from 1 January 2022 to 31 March 2023).

Necessary approval of the Members for the appointment of M/s Price Waterhouse & Co. Chartered Accountants LLP, (Firm Regn. No. 304026E/E300009) as the Statutory Auditors of the Company for a term of five years effective from the conclusion of the 86th Annual General Meeting of the Company until the conclusion of the 91st Annual General Meeting of the Company was obtained at the 86th Annual General Meeting of the Company held on 23 June 2023. Further, from financial year 1 April 2023 onwards, the audit fees of M/s Price Waterhouse & Co. Chartered Accountants LLP, (Firm Regn. No. 304026E/E300009) as Statutory Auditors of the Company, would be Rs. 58,00,000/- (Rupees Fifty-Eight Lakhs only) per annum, as approved by the Members at the 86th Annual General Meeting of the Company held on 23 June 2023.

None of the Directors and Key Managerial Personnel (KMPs) of the Company, either directly or through their relatives, is in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

The Board, therefore, recommends the Ordinary Resolution set out at item no. 5 of the Notice for approval by the Members.

Item No. 6

In view of change in financial year of the Company from January – December to April – March and extension of financial year 2022 to 15 months period from 1 January 2022 – 31 March 2023, the Board of Directors of the Company (the Board) had on the recommendation of the Audit Committee, revised the term of appointment of M/s Mani & Co., Cost Accountants (Firm Regn. No. 000004) as the Cost Auditors of the Company from January 2022 – December 2022 to January 2022 – March 2023 and had also approved the revision in cost audit fees from Rs. 2,10,000/- (Rupees Two Lakhs and Ten Thousand only) to Rs. 2,25,000/- (Rupees Two Lakhs and Twenty Five Thousand only) plus applicable taxes and out of pocket expenses that may be incurred during the course of audit of cost records of the Company, for the 15 months period ended 31 March 2023 (from 1 January 2022 to 31 March 2023).

Further, the Board had also on recommendation of the Audit Committee, approved the appointment of M/s Mani & Co., Cost Accountants (Firm Regn. No. 000004) as the Cost Auditors of the Company at a fee of Rs. 2,10,000/- (Rupees Two Lakhs and Ten Thousand only) plus applicable taxes and out of pocket expenses that may be incurred during the course of audit of cost records of the Company for the financial year ending on 31 March 2024.

M/s. Mani & Co. has vast experience in the field of cost audit across diverse industries including chemical sector to which your Company belongs.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

None of the Directors and Key Managerial Personnel (KMPs) of the Company, either directly or through their relatives, is in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

The Board, therefore, recommends the Ordinary Resolution set out at item no. 6 of the Notice for approval by the Members.

Additional information on directors recommended for appointment/re-appointment as required under Regulation 36 of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2) are as below:

Ms Mannu Sanganeria

Ms Mannu Sanganeria (DIN : 09243027), holds a Bachelor's degree in Arts from Delhi University and is also a Member of The Institute of Chartered Accountants of India. Ms Sanganeria has over 22 years of work experience in Finance & Accounting roles during her stints with BOC and Linde Group. She had joined Linde India Ltd. (formerly known as BOC India Ltd.) in the year 2000 as an Accountant and subsequently moved to Singapore in 2005 in the Finance function. Ms Sanganeria has held leadership roles in areas of Financial Planning & Performance Management responsible for South & East Asia and Asia Pacific region of the Linde plc Group. In her present role, she is working as Director, M&A in Linde plc Group based out of Singapore.

Age: 47 years

Nature of expertise in specific functional areas: Financial Planning and Merger & Acquisitions.

Disclosure of inter-se relationships between Directors and Key Managerial Personnel: There is no inter-se relationship between Ms Mannu Sanganeria, other members of the Board and Key Managerial Personnel of the Company.

Listed entities (other than Linde India) in which Ms Mannu Sanganeria holds directorship and committee membership and names of listed entities from which Ms Sanganeria resigned in the past three years: Nil

Shareholding in the Company as on 31 March 2023 (including shareholding, if any as a beneficial owner): Nil

Remuneration proposed to be paid, last drawn salary and key terms and conditions of appointment: The Company does not pay remuneration to Non-Executive Directors representing the Promoter Group.

Date of first appointment on Board and number of Board meetings attended: The details pertaining to Ms Sanganeria's appointment and number of meetings attended by her are provided in the Corporate Governance Report forming part of the Annual Report 2022-23.

Dr Shalini Sarin

Dr Shalini Sarin (DIN : 06604529) holds a Doctorate in Organization Behaviour and a Masters in Sociology and Human Resource Management. She has about three decades of corporate experience ranging from Chief People Officer to Head of Corporate Social Responsibility to Business Leader. Dr Sarin is among others on the Board of Automotive Axles Ltd., Kirloskar Oil Engines Ltd., Meritor HVS (India) Ltd and Kirloskar Ferrous Industries Ltd. She also serves on few not for profit Boards such as International Solar Alliance – global taskforce of foundations, Alliance for an Energy Efficient Economy and chairs Plaksha Center for clean energy. She is also a mentor and Board Member of BeyonDiversity Foundation.

Age: 57 years

Nature of expertise in specific functional areas: Change management, leadership, succession planning & significant experience in transformations during mergers, acquisitions, restructuring, divestiture and IPOs.

Disclosure of inter-se relationships between Directors and Key Managerial Personnel: There is no inter-se relationship between Dr Shalini Sarin, other members of the Board and Key Managerial Personnel of the Company.

Listed entities (other than Linde India) in which Dr Shalini Sarin holds directorship and committee membership:

Sl. No.	Name of the Company	Mandatory Committee Memberships
1.	Automotive Axles Limited	Member, Nomination & Remuneration Committee
2.	Kirloskar Oil Engines Limited	Member, Corporate Social Responsibility Committee & Nomination & Remuneration Committee
3.	ISMT Limited	Nil
4.	Kirloskar Ferrous Industries Ltd.	Nil

Names of listed entities from which Dr Sarin resigned in the past three years: Nil

Shareholding in the Company as on 31 March 2023 (including shareholding, if any as a beneficial owner): Nil.

Remuneration proposed to be paid and last drawn salary: The details of remuneration paid (sitting fees and commission) by the Company to Dr Sarin during the period 1 January 2022 to 31 March 2023 are mentioned in the Corporate Governance Report forming part of the Annual Report 2022-23.

Date of first appointment on Board and number of Board meetings attended: The details pertaining to Dr Sarin's appointment and number of meetings attended by her are provided in the Corporate Governance Report forming part of the Annual Report 2022-23.

Registered Office:	By order of the Board
Oxygen House	**Linde India Limited**
P 43 Taratala Road	
Kolkata 700 088	
India	
	Sd/-
	Amit Dhanuka
Kolkata	Membership No. ACS 23872
23 May 2023	Company Secretary

Information at a Glance

Particulars	Details
Time and Date of AGM	10:00 a.m. IST, Thursday, 17 August 2023
Mode	Video Conference (VC) and Other Audio-Visual Means (OAVM)
Helpline number for VC participation	NSDL Contact No.: 022 - 4886 7000 and 022 - 2499 7000
Webcasts and transcripts	https://www.linde-gas.in/en/ir/index.html
Book Closure date for Dividend	11 August 2023 to 17 August 2023 (both days inclusive)
Dividend payment date	On or about 22 August 2023
Cut-off date for e-voting & dividend	Thursday, 10 August 2023
E-voting start time and date	9:00 a.m. IST, Monday, 14 August 2023
E-voting end time and date	5:00 p.m. IST, Wednesday, 16 August 2023
Date for receiving of questions by email	3 August 2023 to 10 August 2023 (both days inclusive)
Date for registration as Speaker shareholder	14 August 2023 and 15 August 2023
E-voting website of NSDL	https://www.evoting.nsdl.com/
Name, address and contact details of e-voting service provider	**Pallavi Mhatre,** *Senior Manager* National Securities Depository Limited, 4th Floor, A Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013, India Contact details: Email id: pallavid@nsdl.co.in; evoting@nsdl.co.in; Contact number: 022 - 4886 7000 and 022 - 2499 7000
Name, Address and Contact details of Registrar & Share Transfer Agent	**Mr Shaibal Haripada Roy** *Asst. Vice President* **KFin Technologies Ltd.** Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 Contact details: Email id: einward.ris@kfintech.com Contact Number: +91-40-6716-2222

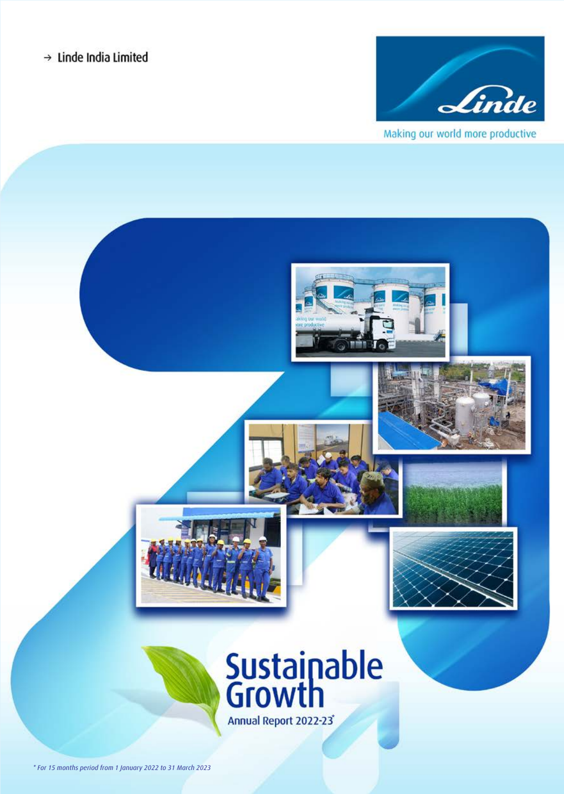
→ Linde India Limited

Making our world more productive

Sustainable Growth

Annual Report 2022-23*

* For 15 months period from 1 January 2022 to 31 March 2023



Sustainable Growth.

If 2021 was the year for rebound for Linde India from the Covid-19 aftermath, 2022 was the year where we continued working towards sustaining the momentum and taking important strides in every aspect of our business.

2022 marked the year for fostering growth for Linde India Limited. Growth, which is consistent, responsible, holistic and builds the foundation for long-term success for the Company.

Contents.

Chairman's Message.

Dear Shareholders,

I am indeed honoured and delighted to communicate with you as the newly appointed Chairman of Linde India Ltd. As this marks my first correspondence to shareholders since assuming office, I would like to extend my heartfelt gratitude to each of you for your unwavering support and trust in our Company. Your commitment has been vital in driving our continued growth and success.

As we embark on a new financial year, it is essential to reflect on the global economic landscape in 2022 and the progress of the Indian economy in FY 2023-24.

The year 2022 witnessed a global economy grappling with various challenges. One significant factor was the ongoing conflict between Russia and Ukraine, which began in February 2022 and had far-reaching implications. Geopolitical tensions in several regions caused disruptions in supply chains, resulting in increased energy prices and inflation worldwide. These circumstances posed unique challenges to economies across the globe, and India was not exempt from their impact.

However, amidst these challenges, I am pleased to share that the Indian economy has made remarkable progress in FY 2023-24. We have seen significant improvement in the economic landscape, marked by increased investments across sectors. This positive trend reflects renewed confidence in the Indian market, paving the way for a promising future.

India's GDP grew impressively by 7.2% in FY 2023-24, surpassing market expectations and the RBI's estimate of 7%. This positions India among the world's fastest-growing major economies. The estimated real GDP for FY22-23, measured at constant prices, is approximately ₹160.06 lakh crore.

These figures testify to the resilience and potential of the Indian economy. Despite challenges, we have witnessed robust growth, showcasing the strength and dynamism of emerging India.

Review of Performance

During the year under review, Regional Director - Eastern Region, MCA, approved our application to change our Financial Year from a calendar year to a uniform FY. The current FY will be for 15 months, from 1 January 2022 to 31 March 2023. Going forward, our FY will be from 1 April to 31 March.

I am pleased to present the key highlights of our financial performance for the 15 months period ended on 31 March 2023. During this period, Linde India achieved remarkable results, demonstrating strong growth and financial resilience. Our total revenues from operations stood at Rs. 31,355 million, marking a substantial increase compared to the previous financial year's figure of Rs. 21,120 million, reflecting an impressive growth rate of 48.5% compared to FY 2021.

The growth was driven by both our Gases and Project Engineering divisions. Gases revenues witnessed a significant surge, growing by 33.3% from Rs. 16,611 million to Rs. 22,144 million. This growth was attributed to higher demand for merchant liquid, increased gas consumption by the steel sector, and enhanced business in helium and special products. Our Project Engineering Division delivered exceptional performance, with revenues doubling from Rs. 4,509 million to Rs. 9,211 million during the 15 months period.

In terms of profitability, we achieved earnings before interest, depreciation and amortization (EBITDA) of Rs. 8,729 million, indicating a growth rate of 45.2% compared to FY 2021's figure of Rs. 6,013 million. Our focus on operational efficiency and effective cost management contributed to this positive outcome. Profit after tax (PAT) for the period under review amounted to Rs. 5,358 million, slightly surpassing the previous year's figure of Rs. 5,139 million. It is worth mentioning that the PAT for FY 2021 included a pre-tax exceptional profit of Rs. 2,944 million from the sale of land in Kolkata.

The strong financial performance of Linde India during this period underscores our commitment to sustainable growth and delivering value to our shareholders. We are confident that our robust order book, particularly in the steel, refineries and electronics sectors, positions us well for future success.

Environment Responsibility

Linde India is committed to environmental sustainability and has made significant progress in various areas. We have implemented energy intensity reduction initiatives, resulting in a remarkable 9% reduction in energy intensity compared to the previous year. Additionally, we continue to monitor and reduce water intensity, achieving a commendable 12% reduction in water consumption intensity.

In terms of greenhouse gas (GHG) emissions, we have undertaken several initiatives aligned with our global decarbonisation target. This year, we achieved a notable 15% reduction in scope 1 and 2 GHG intensity compared to the previous year.

Waste management practices at all Linde India sites comply with state and central pollution control norms. We segregate and store hazardous and non-hazardous waste separately and dispose them off through pollution control-approved recyclers.

The Company recently made a strategic investment in Avaada MHYavat Pvt. Ltd., FP Solar Shakti Pvt. Ltd. and FPEL Surya Pvt. Ltd. The primary objective of these investments is to gain access to renewable power procurement under a captive mechanism. By utilising this mechanism, we aim to secure renewable power at lower tariffs, leading to significant cost savings for our operations. These investments align with our commitment to sustainable practices and optimising our cost structure for the benefit of our shareholders.

In conclusion, I would like to express my sincere gratitude for your continued support and trust in Linde India. As we navigate the uncertainties of the global economy, we remain steadfast in our commitment to creating long-term value for our shareholders. Together we will embrace the opportunities that lie ahead and forge a path of growth, resilience and success.

Warm regards,

M J Devine
Chairman

15 June 2023

Sustainable Growth.

2022 marked the year for fostering growth for Linde India Limited - growth, which is consistent, responsible, holistic and builds the foundation for long-term success for the Company.

If 2021 was the year for rebound for Linde India from the Covid-19 aftermath, 2022 was the year where we continued working towards sustaining the momentum and taking important strides in every aspect of our business. It was also the year we have taken some new initiatives, hitherto unseen in the Linde world. We also continued our focus on our reducing our carbon footprint and creating a positive impact through our social outreach programs.

Financial

During the 15 months period ending 31 March 2023, the company achieved 48.5% higher revenue at Rs. 31,355.20 million compared to Rs. 21,119.58 million a year ago. These numbers are a testimony to the solid growth focus of your Company, staying focused all along.

The company remained debt-free at the end of FY 2022-23 and continues to have a strong balance sheet.

48.5%

YOY increase in revenue

Revenue from Operations in FY 2022-23 at Rs.31,355.20. million was 48.5% higher as compared to Rs.21,119.58 million in FY 2021.

45.2%

YoY increase in EBITDA

EBITDA for FY 2022-23 at Rs.8729.41 million was 45.2% higher as compared to Rs.6,012.51 million in FY 2021, driven primarily by higher volumes, pricing actions, productivity benefits, etc.

6.8%

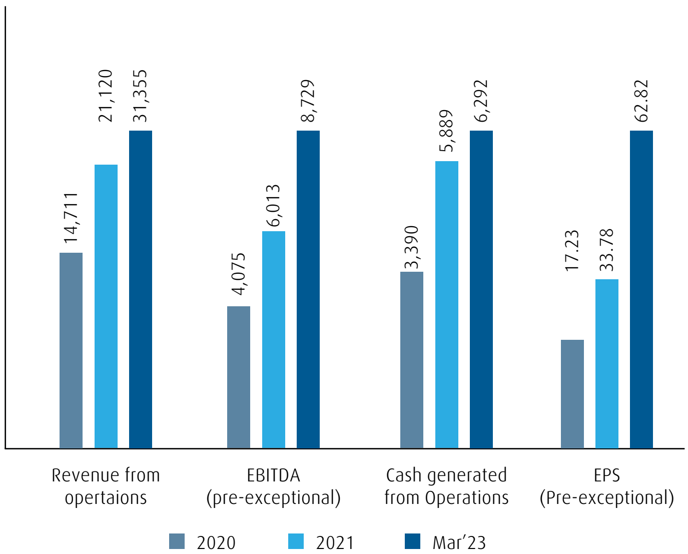
YoY increase in cash generated from operations

Cash generated from operations at Rs.6,291.84 million during FY 2022-23 was 6.8% higher than Rs. 5,888.78 million generated during FY 2021.

86.0%

YoY increase in Earnings per share

Earnings per share (before exceptional item) improved from Rs. 33.78 for FY 2021 to Rs. 62.82 for FY 2022-23.



Note: All figures in Rs. million except EPS

Operational Initiatives

First all-women operated packaged gases facility at Trichy

Linde India Limited inaugurated its first-ever women operated Packaged Gas Plant in Trichy on 6th July 2022. This was a pioneering initiative by Linde Plc and the first such plant in the oil and gas industry in India. Present at the launch were Mr. John Panikar, Executive Vice President, Asia Pacific, Linde, Mr. Abhijit Banerjee, MD – Linde India Limited and other dignitaries.

New Air Separation Units

Construction for all the new ASUs - the 250 tonnes per day merchant Air Separation Unit at Dahej, Gujarat being built at a capex of Rs.1,386 million, the 264 tonnes per day merchant Air Separation Unit near Ludhiana, Punjab being built at a capex of Rs.1,521 million are underway and are expected to get commercialized within FY 2023. Your Company also won orders for setting up a 900 tonnes per day ASU at ESL Steel Limited, Bokaro and another at 1450 tonnes per day for Jindal Stainless Limited, Kalinganagar. These investments are expected to further strengthen our position in East India. The Company is also setting up a high purity Nitrous Oxide facility at its existing Hyderabad plant.

Project Engineering Division

A new fabrication shop is being constructed in Jamshedpur for PED, which is expected to be operational during the current FY 2023-24. The order intake for FY 2022-23 was Rs. 12,140 million, including an export order for the supply of a cold box for an N2 liquefier of 300 TPD capacity at MIMS Florida USA for LG. The Division also commissioned several projects, including compressed Air and Nitrogen plant packages.

Focus on reducing carbon footprint

The drive for the improvement in efficiency continued in 2022 with several specific power reduction projects being executed in the sites resulting in savings of more than 850 kW. Loss reduction projects were also successfully undertaken at some sites.

Linde India continued to build on the momentum of growth generated in FY 2021, while retaining focus on safety and integrity. We are confident about scaling new heights of success and treading on these paths of sustainable growth.

About Linde.

Linde India Ltd.

Linde India Limited, a member of Linde Plc. is a leading industrial gases company in India.

Combining Linde Plc.'s advanced technology, our deep understanding of our customers' businesses and strong local expertise in gases and engineering, we are able to provide tailor-made solutions that help our customers to increase efficiency, productivity and flexibility in their operations, while reducing energy costs and safeguarding the environment.

The leadership position and reputation we enjoy today is built on the commitment, untiring efforts and customer-first attitude of our people. Linde India continues to invest heavily in developing its people and relentlessly improving its capabilities and is uniquely poised to successfully capitalize on the many exciting growth opportunities in India.

Linde India has two operating business segments:

- Gases and Related Products
- Project Engineering

35
Operating plants

Rs. **31,355** million
Revenues in FY 2022-23

207
Employees

Our Mission, Vision and Values

Mission: We live our mission of making our world more productive every day. Through our high-quality solutions, technologies and services, we are making our customers more successful and helping to sustain and protect our planet.

Vision: We are committed to fulfilling our vision to be the best performing global industrial gases and engineering company, where our people deliver innovative and sustainable solutions for our customers in a connected world.

Gases and Related Products

The Gases and Related Products segment comprises of pipeline gas supplies (Onsite) to large industrial customers mainly in the primary steel, glass and chemical industries, supply of liquefied gases through cryogenic tankers (Bulk) to cater to mid-size demands across a wide range of industrial sectors and compressed gas supply in cylinders (Packaged Gas) for meeting smaller demand for gases mainly across fabrication, manufacturing and construction industry.

We own and operate 35 production facilities and filling stations across the country, including India's largest air separation plant at Jamshedpur. We supply a wide variety of gases and mixtures as well as provide a range of related services equipment, pipelines and associated engineering services catering to the needs of a wide variety of industries. Linde India has the largest sales and distribution network in the country giving us a wide geographic reach and placing us close to our customers in any part of India.

Project Engineering Division (PED)

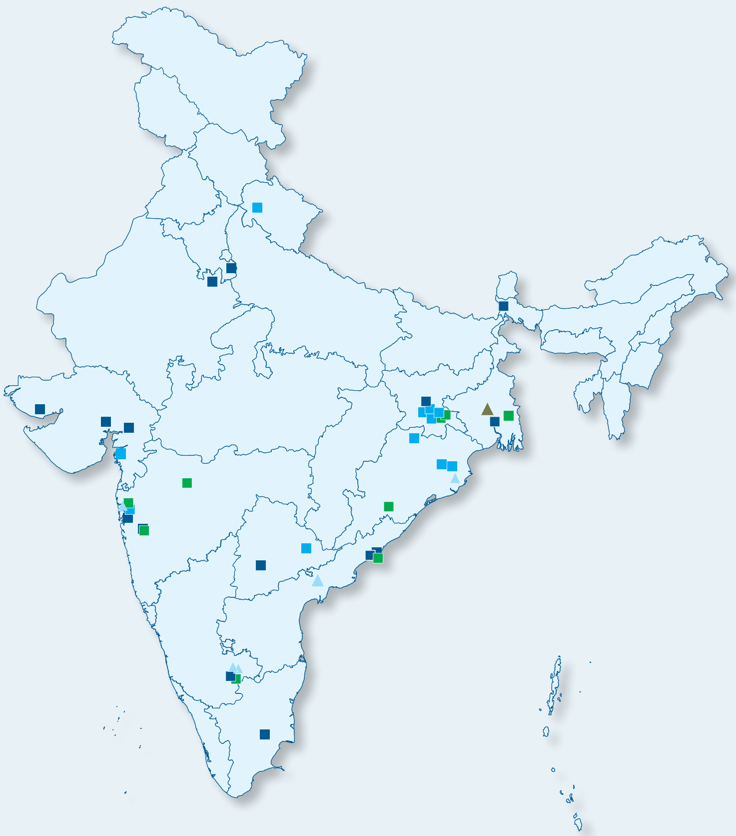
PED comprises the business of designing, supply, installation and commissioning of tonnage air separation units (ASU) of medium to large size, and projects relating to setting up of nitrogen plants, pressure swing adsorption (PSA) plants and gas distribution systems. PED also manufactures cryogenic vessels for in-house use as well as for sale to third party customers.

The PED takes pride in designing, engineering , supply, installation and commissioning of Air Separation Units and related projects on turnkey basis across steel and oil and gas sectors. We also execute projects in prime research organisations such as DRDO, BARC, IPR, etc.

Key Products

Oxygen, Nitrogen, Argon, Helium, Carbon dioxide, Xenon, Krypton

O_2 N_2 Ar He CO_2 Xe Kr



Linde India Geographical Footprint

ASU Sites

Bhadrachalam
Jajpur
Jamshedpur
Rourkela
Selaqui
Taloja
Dahej
Kalinganagar

PGP Sites

Pune
Bangalore
Trichy
Bhiwadi
Faridabad
Jamshedpur
Uluberia
Siliguri
Taloja
Mundra
Sanand
Vizag
Baroda
Hyderabad (N_2O)

Small Onsite Plants

ElectroSteel, Khardah
GKN Sinter, Pune
J K Paper, Rayagad
Tinplate, Jamshedpur
Vishnu Chemicals, Vizag
Bosch, Bangalore
TATA Long Products, Adityapur
Sterlite Tech., Aurangabad
Owens Corning, Taloja

Other Offices

Bangalore Sales Office
Bangalore Office
Bhubaneshwar Sales Office
Vijayawada, FoodLab
Mumbai Sales Office

Head Office, Kolkata

Profile of the Board of Directors & KMPs.

Board of Directors

Michael J Devine
Chairman
[DIN: 10042702]

Born 1968
Doctor of Jurisprudence from Creighton University School of Law,
Bachelor of Arts in Economics.

Board Committees

AC NRC

Mr. Devine is the Associate General Counsel of Linde Plc. and has had an illustrious and accomplished career in handling several large corporate and commercial transactions in his career, including merger of Praxair Inc. and Linde AG. Mr. Devine has earlier served as the Chief Transactions Counsel for Linde Plc. and for Praxair Inc. and is currently heading the M&A Legal Department for Linde Plc.

Jyotin Mehta
Non-Executive Independent Director
[DIN: 00033518]

Born 1958
FCA, FCS and FICWA
Bachelor of Commerce

Board Committees

AC C NRC

SRC RMC

Mr J Mehta retired as Vice President and Chief Internal Auditor of Voltas Ltd. Presently Mr Mehta serves on the Board of Suryoday Small Finance Bank Ltd., JSW Ispat Special Products Limited (erstwhile Monnet Ispat & Energy Ltd.), ICICI Prudential Trust Ltd., Amal Ltd., Mahindra Insurance Brokers Ltd., Mahindra Rural Housing Finance Ltd. and others.

Abhijit Banerjee
Managing Director
[DIN: 08456907]

Born 1967
B.Tech. in Chemical Engineering from IIT, Kharagpur

Board Committees

SRC CSR

RMC

Mr A Banerjee joined Linde India in the year 2009 and was appointed as Managing Director of the Company with effect from 7 June 2019. He has rich experience of about 35 years in manufacturing sector covering design engineering, marketing, project management, business development and strategic account management across reputed companies including deputation for 18 months at Thyssen at Bochum, Germany.

Arun Balakrishnan
Non-Executive Independent Director
[DIN: 00130241]

Born 1950
B.E. (Chemical) from College of Engineering, Trichur, Post Graduate Diploma in Management from IIM, Bangalore

Board Committees

AC NRC C

SRC C CSR

RMC C

Mr A Balakrishnan was the former Chairman and Managing Director of Hindustan Petroleum Corporation Ltd. from 1 April 2007 to 31 July 2010 and is presently on the Board of Pipeline Infrastructure Ltd., Haldia Petrochemicals Ltd., Alphamers Ltd., Yokogawa India Ltd. and other companies.

AC Audit Committee NRC Nomination & Remuneration Committee SRC Stakeholders Relationship Committee CSR Corporate Social Responsibility Committee

Shalini Sarin
Non-Executive Independent Director
[DIN: 06604529]

Born 1965
Master of Arts (Sociology & Human Resource Management), Doctorate in Organization Behaviour

Board Committees

AC CSR C

Dr S Sarin is among others on the Board of Automotive Axles Ltd., Kirloskar Oil Engines Ltd., ISMT Ltd., Kirloskar Ferrous Industries Ltd. and Meritor HVS (India) Ltd. She also serves on few not for profit boards such as International Solar Alliance – global taskforce of foundations, Alliance for an Energy Efficient Economy and chairs Plaksha Center for clean energy. She is also a mentor and Board Member of BeyonDiversity Foundation.

Mannu Sanganeria
Non-Executive Director
[DIN: 09243027]

Born 1976
B.A., ACA

Ms M Sanaganeria has over 22 years of work experience in Finance & Accounting roles during her stints with BOC and Linde Group. Ms Sanganeria has held leadership roles in areas of Financial Planning & Performance Management in the Linde plc Group. In her present role, she is based at Singapore as Director, M&A in Linde Plc.

RMC Risk Management Committee C Chairman

Key Managerial Personnel

Abhijit Banerjee
Managing Director
[DIN: 08456907]

B.Tech. in Chemical Engineering from IIT, Kharagpur

Mr A Banerjee joined Linde India in the year 2009 and has rich experience of about 35 years in manufacturing sector covering design engineering, marketing, project management, business development and strategic account management across reputed companies including deputation for 18 months at Thyssen at Bochum, Germany.

Neeraj Kumar Jumrani
Chief Financial Officer

B. Com, ACA

Mr N K Jumrani first joined Linde India Ltd. in the year 2006 and has gathered rich experience of about 19 years including about 16 years of experience in various finance roles in areas such as Tax Management, Treasury Management, Internal Controls, Financial Planning & Controlling within the Linde Plc Group companies.

Amit Dhanuka
Company Secretary

B.Com, ACS

Mr A Dhanuka has gathered rich experience of over 15 years in corporate secretarial functions dealing with company law related matters, SEBI Regulations, mergers and acquisitions, etc. in his earlier roles across various companies. Immediately before joining Linde India Ltd., Mr Dhanuka was the Company Secretary of Xpro India Ltd.

Company Information.*

Board of Directors

Michael J Devine, *Chairman*
Arun Balakrishnan, *Independent Director*
Jyotin Mehta, *Independent Director*
Shalini Sarin, *Independent Director*
Mannu Sanganeria, *Non-Executive Director*
Abhijit Banerjee, *Managing Director*

Company Secretary

Amit Dhanuka

Chief Financial Officer

Neeraj Kumar Jumrani

Auditors

Statutory Auditors

Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration No. 304026E/E300009

Secretarial Auditors

P. Sarawagi & Associates
Firm Registration No. S1998WB022800

Cost Auditors

Mani & Co.
Firm Registration No. 000004

Registrar and Transfer Agents

KFin Technologies Ltd.
Phone : 1800 309 4001
einward.ris@kfintech.com

Bankers

Citibank N.A.
HSBC Bank
ICICI Bank Ltd.
Punjab National Bank
Standard Chartered Bank
State Bank of India
Bank of America
Axis Bank

Audit Committee

Jyotin Mehta, *Chairman*
Arun Balakrishnan
Shalini Sarin
Michael J Devine

Stakeholders Relationship Committee

Arun Balakrishnan, *Chairman*
Jyotin Mehta
Abhijit Banerjee

Nomination and Remuneration Committee

Arun Balakrishnan, *Chairman*
Jyotin Mehta
Michael J Devine

Corporate Social Responsibility Committee

Shalini Sarin, *Chairperson*
Arun Balakrishnan
Abhijit Banerjee

Risk Management Committee

Arun Balakrishnan, *Chairman*
Jyotin Mehta
Abhijit Banerjee

Registered Office

Linde India Limited
Oxygen House
P-43 Taratala Road
Kolkata 700 088
India
CIN: L40200WB1935PLC008184
Phone: +91-33-6602 1600
Fax: +91-33-2401 4206
contact.lg.in@linde.com
www.linde.in

*As on 31 March 2023

CSR Snapshots.

Community engagement is an intricate part of Linde's sustainable development goals and while we base our CSR initiatives on our CSR policy, we have deeply aligned ourselves to some of the 17 SDGs – creating sustainable cities and communities, promoting good health and wellbeing, climate actions. Here are some key initiatives we have undertaken in FY 2022 -23.

Rs. **51.24** million
Total CSR Budget for FY 2022-23

Rs. **45.16** million
Utilised

Rs. **6.08** million
Provisioned towards ongoing projects

Making Indian Roads Safer

At Linde, we believe in safety first. According to Ministry of Road Transport and Highways, every year, approximately 1.5 lakh people dies on India roads, which translate, on an average, into 1130 accidents and 422 deaths every day or 47 accidents and 18 deaths every hour. We have undertaken several initiatives in our efforts to make Indian roads safer – for the pedestrians and motorists.

Simulator- based Driving Training Program

This is Linde India's initiative towards training heavy vehicle drivers through actual driving simulators that mirror real road situations. This trains the drivers to enhance their skills to manage difficult and challenging scenarios. This program is rolled out into separate phases, from mobilization, enrollment, and certification. In next 3-5 years, Linde aims to impact a total of 50,000 drivers through this program.

Defensive Driving Training Program and Two-Wheeler Driver Awareness

Sponsored by Linde India Limited, the Institute of Road Traffic Education (IRTE) has undertaken the training of Heavy Vehicle Drivers across India. Under this program, the fleet owners have been supported towards building their capacity in "safety and efficiency" of their transportation services. In another initiative, training workshops were conducted for delivery agents and first-time drivers and university students to promote safe two-wheeler driving behavior.

1048

1048 Drivers trained 81 Training workshops held during FY 2022-23 for defensive driving training

24

24 amazon riders and 1444 students covered through two-wheeler awareness programs

Creating Zero Fatality Corridor

Linde India Limited has partnered with Save Life Foundation and launched 'Zero Fatality Corridor' project. India holds the unfortunate record of having one of highest number of road crash fatality records, globally. "Zero-Fatality Corridor" approach defines a replicable and scalable model for reducing road crash deaths through an evidence-based approach involving – engineering, emergency care, enforcement, and education for road safety. Linde India Limited in partnership with SLF envisions reducing road crash fatalities in Bharuch to Surat section on the National Highway 48, in Gujarat. This project is estimated to benefit over 1.3 million road users. Additionally, the project shall also undertake training of 455 patrol officers, police personnel and community volunteers.

Promoting the cause of normal child birth

Community healthcare engagement to reduce C-Section rates in partnership with the Center for Catalyzing Change (C3), Linde India aims to strengthen maternal health services. Some of the activities carried out include capacity building of facility- based health care providers on labor pain management techniques, strengthening and activating existing community- level platforms and to generate awareness on Birth Preparedness and Complication Readiness (BPCR). Activities are implemented in close coordination with the public health system and frontline health workers and community-level institutions/platforms. The pilot of this project was conducted at Danagadi block, Kalinganagar Industrial Complex, Jajpur district, Odisha.

147

At Facility-level – 147 Staff Nurses and Health workers were sensitized on Birth Companion and practices related to labour pain management

3700

At Community-level – 3700 frontline health workers were trained on selection of Birth Companions, C-sections and normal vaginal delivery advantages and disadvantages

501

Community Level Awareness Camps were held reaching out to 501 lactating and pregnant mothers

Helping the communities where we work and operate

Calcutta Blind School

Calcutta Blind School, a 127-year-old school in Kolkata has a with a vision of providing education and opportunities to visually impaired children. Linde India, through its CSR initiative donated towards the renovation of children's playground, building rooftop and donation of essentials and stationeries for the students.

Government Higher Primary School

Located in a small village named Govindapura in Bangalore, had 3 classrooms without proper infrastructural facilities and classroom furniture. Linde India, through its CSR initiative donated towards the construction of RO Water room, Library room, Interactive educational panel, Renovation of class room and office room rooftop and donation of furniture.

Integrated Child Development Services (ICDS)

ICDS is a government program in India which provides nutritional meals, preschool education, primary healthcare, immunization, health check-up and referral services to children under 6 years of age and their mothers. Linde India partnered with Sandeshkhali Maa Saroda Women & Rural Welfare Society to re-construct the school building No. 25 at Sandeshkhali-I Block with solar system and submersible pump, kitchen room and the toilet.

Relief for Assam Flood Victims

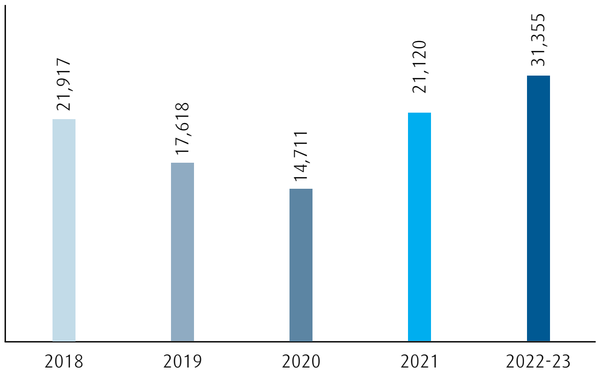
During every monsoon season Assam gets hit by massive floods. Thus, resulting in severe damage on the important infrastructures of the state including water lines, mobile towers, bridges, and power plants. The death toll for 2022 flood crossed 172 as per the official report. In FY 2022-2023 Team Linde financed 'Give' foundation to support the affected families with survival necessities to slowly rebuild their lives. A total of 1958 dry ration and hygiene kits consisting of pulses, Mustard oil, Salt, wheat, potato, onion, sugar, tea and biscuit packets, soyabeans, bathing soaps, detergent, bleaching powder and sanitary napkins were distributed among the victims of Biswanath, Nalbari, Kamrup, and Barpeta districts.

Restoring mangrove: Tree Plantation at Sundarbans

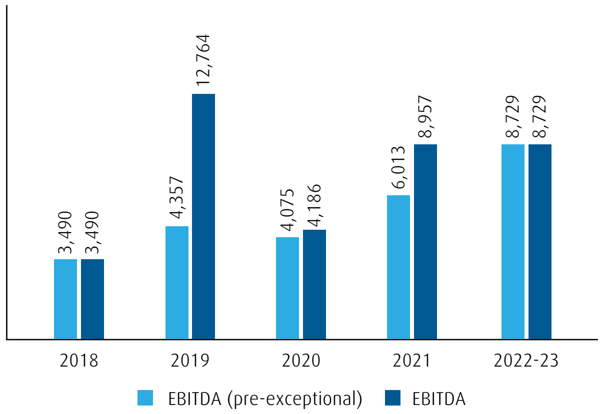
A large amount of mangrove vegetation was destroyed in Sundarbans area during Cyclones Yaas and Amphan. Linde India partnered with Sandeshkhali Maa Saroda Women & Rural Welfare Society to plant 1,00,000 mangrove saplings in North Sunderban with the primary objective to reduce the impact of cyclones by planting/restoring of mangroves as well as also to generate an income source to the women who are both planting and guarding the mangrove sapling. Increased mangrove forest cover by plantation helps in combating extreme weather events and natural disasters such as cyclones.

Financial Performance (Standalone).

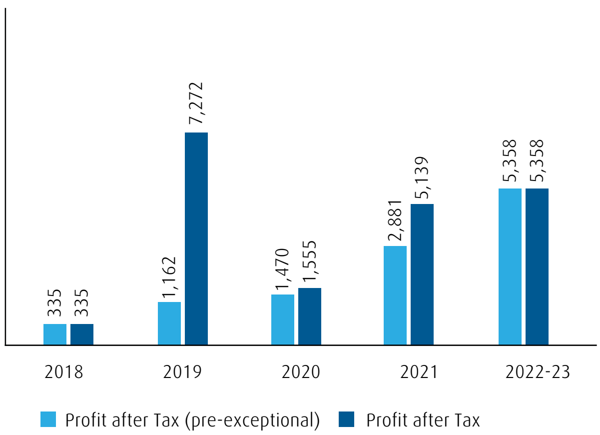
Revenue from operations



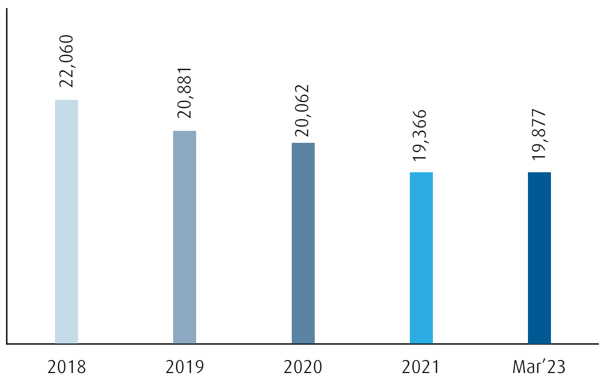
EBITDA



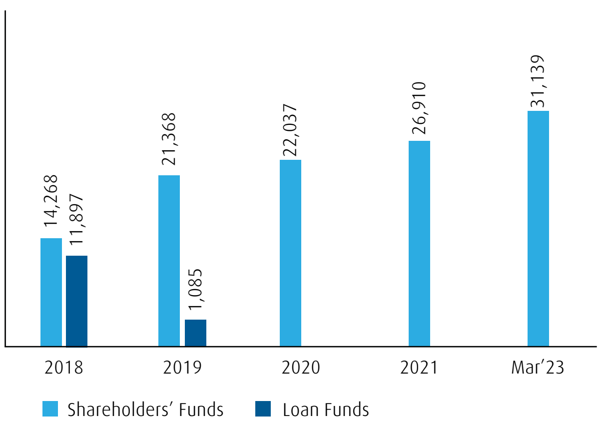
Profit after Tax



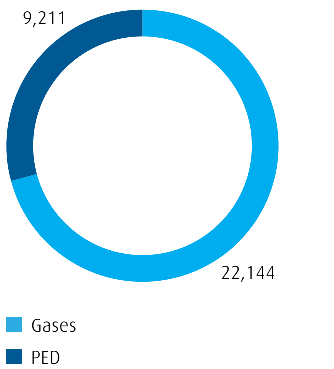
Fixed Assets (Net Block)



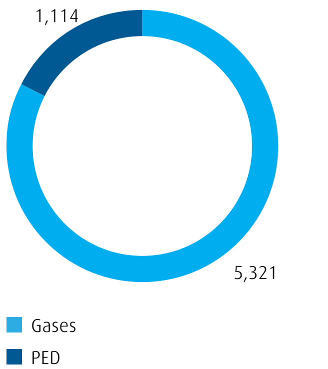
Capital employed



Segment-wise Sales 2022-23



Segment-wise profit 2022-23



Directors' Report and Management Discussion and Analysis.

The Directors have pleasure in submitting their Report together with the Audited Financial Statements of your Company for the 15 months period ended 31 March 2023 (1 January 2022 to 31 March 2023):

The Company's standalone financial performance for the 15 months period ended 31 March 2023 is summarized below:

In Rupees million	15 months ended 31 Mar 2023	Year ended 31 Dec 2021
Revenue from operations	31,355.20	21,119.58
Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA)	8,729.41	6,012.51
Less: Depreciation and amortisation expense (including impairment)	2,528.65	1,813.67
Earnings before interest and tax (EBIT)	6,200.76	4,198.84
Less: Finance cost	56.56	30.54
Profit before tax (PBT) before exceptional item	6,144.20	4,168.30
Add: Exceptional items	-	2,944.26
Profit before tax (PBT) after exceptional item	6,144.20	7,112.56
Tax Expense	786.49	1,973.12
Net Profit for the period (after tax) (A)	5,357.71	5,139.44
Total Other Comprehensive Income for the year (B)	6.56	(10.57)
Total Comprehensive Income for the year (C)=(A) +(B)	5,364.27	5,128.87
Movement in Equity		
Retained earnings opening balance brought forward	18,086.25	13,215.88
Add: Net Profit for the year	5,357.71	5,139.44
Less: Other comprehensive income recognised in retained earnings (net of taxes)	6.53	(13.22)
Profit available for appropriation (D)	23,450.49	18,342.10
Appropriations: Dividend on Equity share paid during the year# (E)	(1,151.34)	(255.85)
Retained earnings closing balance carried forward (F)= (D)- (E)	22,299.15	18,086.25

#Pertains to dividend for the financial year 2021 @ 135% including special dividend (Previous year @ 30% for the financial year 2020) on 85,284,223 equity shares of Rs.10/- each.

Financial Performance for the 15 months period ended 31 March 2023

Your Company has recorded total revenue from operations of Rs. 31,355 million during the 15 months period ended 31 March 2023 as compared to Rs. 21,120 million achieved in the previous financial year ended 31 December 2021 (FY 2021), clocking an impressive growth of 48.5% as compared to FY 2021. While the Gases revenues grew by 33.3% from Rs. 16,611 million to Rs. 22,144 million, the revenues of Project Engineering Division doubled from Rs. 4,509 million to Rs.9,211 million in the 15 months period ended 31 March 2023.

Comparing the performance to similar period of 12 months ended 31 December 2022 vis-à-vis 31 December 2021, the total revenue from operations stood at Rs. 25,053 million as compared to Rs. 21,120 million in FY 2021, reflecting a handsome double-digit growth of 18.6%. While the Gases revenues grew by 3.9% from Rs.16,611 million to Rs. 17,257 million, the revenues of Project Engineering Division increased by 72.9% from Rs. 4,509 million to Rs. 7,796 million during the same period.

The growth in Gases revenue was driven by higher merchant liquid demand in line with economic recovery, increase in gas consumption by steel sector and higher helium & special products business. Our Project Engineering business continues to perform strongly with healthy order book position supporting mainly steel, refineries, and electronics sectors.

During the period under review, your Company achieved earnings before interest, depreciation and amortisation (EBITDA) of Rs. 8,729 million as compared to Rs. 6,013 million in FY 2021, representing a growth of 45.2%. This increase in operating profit vis-a-vis FY 2021 was due to strong growth in merchant volume mainly liquid nitrogen and liquid argon and pricing discipline. The onsite segment also recorded higher gas demand and successful pass through of cost inflations. The Packaged Gases business shows traction across all industrial products and special gas products together with high helium pricing across the globe. Resilient prices in the Company's Healthcare segment helped to mitigate lower volumes in comparison to last year's Covid driven high Oxygen demand. Other key factors driving improved profitability are the cost productivity & optimisation measures. On twelve months comparison for FY 2021 and period ended 31 December 2022, the EBITDA grew by Rs. 642 million from Rs. 6,013 million in 2021 to Rs. 6,655 million in 2022, representing an increase of 10.7%.

The total depreciation for the period under review stood at Rs. 2,529 million, which was higher by Rs. 715 million as compared to FY 2021, due to longer period impact, progressive capitalization of spend and impairment of idle assets.

The Company has elected to exercise the lower tax rate of 22% (effective rate of 25.168%) permitted under the new tax rate regime under Section 115BAA of the Income Tax Act, 1961 for the year beginning 1 April 2022 resulting in lower tax expense and re-measurement of deferred tax liabilities.

Profit after tax (PAT) for the period under review amounted to Rs. 5,358 million vis-a-vis Rs.5,139 million for FY 2021 which included a pre-tax exceptional profit of Rs. 2,944 million from the sale of land in Kolkata.

On twelve months comparison, PAT stood at Rs.4,370 million against Rs. 5,139 million in FY 2021which included a pre-tax exceptional item of Rs. 2,944 million. However, PAT (pre-exceptional) performance reflects a robust growth of Rs.1,489 million from Rs. 2,881 million in FY 2021 to Rs. 4,370 million during the twelve months period ended 31 December 2022.

Change in Financial Year

The Board of Directors had at its meeting held on 14 November 2022, approved the change in Financial Year of the Company from existing "1 January to 31 December" to "1 April to 31 March" in order to avoid preparation of two sets of Audited Financial Statements - one as per the Calendar Year (Accounting Year) and the other as per the Financial Year (April - March) for Income Tax purposes, which was requiring a lot of management time and substantial efforts, at various levels every year. The Regional Director – Eastern Region, Ministry of Corporate Affairs had vide its Order dated 29 March 2023, approved the Company's application for change in its Financial Year from Calendar Year (January – December) to uniform Financial Year (April – March). Consequently, the current Financial Year of the Company comprised of 15 months period from 1 January 2022 to 31 March 2023 and thereafter from 1 April every year to 31 March of the subsequent year.

Accordingly, the Directors' Report together with all its Annexures, Audited Financial Statements both Standalone and Consolidated and Auditors' Report have been prepared for the 15 months period from 1 January 2022 to 31 March 2023.

Dividend

Your Board has recommended a dividend of 120% (Rs. 12/- per equity share) which comprises of a normal dividend of 45% (Rs. 4.50/- per equity share) and a special dividend of 75% (i.e., Rs. 7.50/- per equity share) on 85,284,223 equity shares of Rs.10/ each in the Company for the 15 months period ended 31 March 2023, as against a dividend of 135% (Rs.13.50 per equity share) for the year ended 31 December 2021, which comprised of a normal dividend of 35% (Rs.3.50 per equity share) and a special dividend of 100% (Rs. 10/- per equity share).

The Board's recommendation for dividend has been made after considering the sustainability of the operating performance and cash flow position of the Company and is in line with its Dividend Distribution Policy. The dividend is subject to the approval of the shareholders at the ensuing 87th Annual General Meeting scheduled to be held on Thursday, 17 August 2023 and will be paid to the Members whose names appear in the Register of Members on the date of the Book Closure fixed for this purpose. This dividend will result in cash outgo of Rs. 1,023.41 million as compared to Rs. 1,151.34 million in FY 2021. The dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. Your Company shall, accordingly, make the payment of the Dividend after deduction of tax at source as per the provisions of the Income Tax Act, 1961.

The Board has not recommended any transfer to general reserves from the profits during the period under review.

The Dividend Distribution Policy is annexed to this report and is also available on the Company's website at https://www.linde-gas.in/en/images/Dividend%20Distribution%20Policy_%28FINAL%29%20LIL_tcm526-660614.pdf **[Annexure 1]**

Consolidated Financial Statements

Although the Company does not have any subsidiary, as per the requirement of Section 129(3) of the Companies Act, 2013 and the applicable Indian Accounting Standard 110 issued by the Institute of Chartered Accountants of India, your Company has prepared consolidated financial statements for the 15 months period ended 31 March 2023 together with its joint venture company, viz. Linde South Asia Services Private Ltd. (earlier known as LSAS Services Private Ltd.). The said consolidated financial statements of the Company form part of the Annual Report. The Company also has two Associates as on 31 March 2023, viz. Avaada MHYavat Pvt. Ltd. and FPEL Surya Pvt. Ltd. The financials of said Associates have not been consolidated with the financials of the Company for the reasons more specifically explained in Note 1 of the Notes to the Consolidated Financials Statements forming part of this Annual Report. Since the Company does not have a subsidiary, the compliance under Section 136 about separate financial statements do not apply to it.

Details of Joint Venture and Associate Companies

As on 31 March 2023, the Company had two joint ventures and two associates respectively, whose details are provided below:

Joint Ventures

Bellary Oxygen Company Private Ltd.

Bellary Oxygen Company Private Ltd. is a joint venture of the Company in the gases business with Inox Air Products Private Ltd. as the other JV partner and both JV partners own 50% of the issued and paid up share capital of the joint venture company. The said joint venture company operated an 855 tpd Air Separation Unit at Bellary, Karnataka for supply of gases under a long-term gas supply agreement to JSW Steel Ltd.'s works at Bellary. As mentioned in the earlier Annual Reports of the previous years in the update on Belloxy Divestment Business, upon the expiry of the gas supply contract with JSW Steel Ltd. on 14 November 2021, Bellary Oxygen Company Private Ltd. signed and executed the Asset Sale Agreement with JSW Steel Ltd. Your Company has subsequently filed the closure report with the CCI and it is proposed to liquidate the joint venture company. Pursuant to Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the joint venture company in the prescribed Form AOC-1 is annexed to this report. **[Annexure 2]**

Linde South Asia Services Private Ltd. (formerly known as LSAS Services Private Ltd.)

Linde South Asia Services Private Ltd. is a Joint Venture company between Linde India Ltd. and Praxair India Private Ltd., with both the JV partners owning 50% each of its total issued and paid-up equity share capital. Linde South Asia and Management Services Agreement with both the JV partners, under which, the Joint Venture Company renders O&M Services to both Linde India Ltd. and Praxair India Private Ltd., which consists of carrying out all support services relating to functions such as Procurement, SHEQ, Human Resources, Finance, IT, Legal, Administration, Business Development, Onsite account management, Sales & Marketing, Product Management, etc. on an arms' length basis.

Pursuant to Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the joint venture companies in the prescribed Form AOC-1 is annexed to this report. **[Annexure 2]**

Associates

Avaada MHYavat Private Ltd.

Avaada MHYavat Private Ltd. was incorporated on 3 December 2019 in the name and style of 'Avaada HNSirsa Private Limited'. The name of the Company was changed from 'Avaada HNSirsa Private Limited' to 'Avaada MHYavat Private Limited' in the year 2021. The Company is engaged in the business of establishing, commissioning, setting up, operating and generation of electricity through renewable energy sources such as wind, solar, bio-mass, hydro, geothermal, co-generation and/or any other means in India or elsewhere, including transmission, distribution, supply and sale of such power either directly or through transmission lines and facilities of Central/ State Governments or Private Companies or Electricity Boards to industries and to Central/ State Government and other consumers of electricity including captive consumption. Your Company has invested a sum of Rs. 114 million towards subscription of 11,375,000 equity shares of Avaada MHYavat Private Ltd. representing 26% of the total paid-up capital of the said Associate. These investments were made with an objective to purchase renewable power under captive mechanism, resulting in a lower tariff, consequent cost savings and reduction in carbon footprints of the Company.

FPEL Surya Private Ltd.

FPEL Surya Private Ltd. was incorporated on 11 September 2021 and is engaged in the business of establishing, commissioning, setting operation and generation of electricity through renewable energy source such as wind, solar, and/or any other means in India or elsewhere, including transmission, distribution, supply and sale of such power either directly or through transmission lines and facilities of Central/State Governments or Private Companies or Electricity Board to industries and to Central/State Government and other consumers of electricity including captive consumption. Your Company has invested a sum of Rs. 76.95 million towards subscription of 15,39,000 equity shares of FPEL Surya Private Ltd. representing 26% of the total paid-up capital of the said Associate. These investments were also made with an objective to purchase renewable power under captive mechanism, resulting in a lower tariff and consequent cost savings.

Business Segments

Your Company's business has two broad segments, viz. Gases & Related Products and Project Engineering in line with the operating model of the Linde Plc Group. The details about these business segments together with the industry developments are given below:

Gases & Related Products

The Gases & Related Products segment comprises of pipeline gas supplies (Onsite) to large industrial customers, mainly the primary steel, glass and chemical industries, supply of liquefied gases through Cryogenic tankers (Bulk) to cater to mid-size demands across a wide range of industrial sectors and compressed gas supply in cylinders (Packaged Gas) for meeting smaller demand for gases mainly across fabrication, manufacturing and construction industry. The primary production of gases (oxygen, nitrogen and argon) is mostly achieved through cryogenic distillation of air in Air Separation Units (ASU). Oxygen, Nitrogen and Argon can also be produced in the gaseous state and supplied through pipeline to the Onsite customers or produced in liquid form and stored in insulated cryogenic tanks for supply to Bulk customers or further processed in the Packaged Gas plants to bottle compressed gas in cylinders. The strategy of the bulk and packaged gas business continues to focus on building density and sustaining market leadership through application led gas sales and enhanced service levels. The Healthcare business, an important part of the Gases business, provides high quality gases for pharmaceutical use such as medical oxygen, synthetic air and nitrous oxide in addition to providing state of the art medical gas distribution systems to major hospitals.

Industry Update

In 2022, as the world was recovering from pandemic-induced contraction, the Russia-Ukraine conflict, and inflation, the Indian economy was staging a broad-based recovery across sectors, positioning itself to resume pre-pandemic growth. While the global giants experienced high inflation in 2022 for the first time in three to four decades, India saw relatively lower inflation rates. Indian Rupee performed well compared to other Emerging Market Economies in April-December 2022. RBI's shift towards a monetary tightening cycle since April 2022 helped guide the trajectory of inflation in the country.

The Indian government took several steps to encourage domestic pharmaceutical drug manufacturing, including financial outlay in bulk drugs and medical devices to reduce reliance on imports. In addition, the government approved a PLI scheme for 16 plants producing key starting materials (KSMs), drug intermediates, and active pharmaceutical ingredients (APIs).

India is targeting to be the 3rd largest economy by 2030 overtaking Japan and Germany. According to Department for Promotion of Industry and Internal Trade (DPIIT), India received a total foreign direct investment (FDI) inflow of US$ 58.77 billion in FY 2021-22. It is estimated that 1.4 million medical tourists have visited India in 2022 as the country positions itself as a global health destination.

India made the Net Zero Pledge, promising to achieve net zero emissions by 2070. As of 2022, installed solar power capacity (under the National Solar Mission) stood at 61.6 GW. The government had sanctioned the entire target capacity of 40 GW for the development of 59 Solar Parks in 16 states as of September 2022.

Steel sector: India ranks as the world's second-largest producer of steel with this industry alone accounting for a significant portion of the nation's GDP. Steel industry has emerged as a focus area due to expected rise in domestic consumption due to increased infrastructure construction and thriving automobile and railway sectors. In FY 2022, the production of crude steel and finished steel stood at 133.6 MT and 120 MT, respectively. India's steel export rose by 25.1% year-on-year and stood at 13.49 MT. Export duty on Iron ore concentrates and pellets was raised to 50% and 45% respectively along with 15% export duty on pig iron to reduce the prices of steel in India by 15- 25%.

As a part of Glasgow commitments to achieve net zero emission by 2070, Ministry of Steel has taken multiple initiatives to decarbonize and improve resource efficiency of the Steel sector such as exploring Low Carbon Steel manufacture, Green Hydrogen usage in Steel making, Carbon capture, Storage and Utilization (CCUs), etc.

Domestic Steel is growing at a fast pace which augurs well for the Onsite business and Merchant business in addition to the cascading effects in other sectors. We expect the robust growth to continue at the same levels with the current support and focus from the central government.

Automotive sector: India enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second largest bus manufacturer and third largest heavy truck manufacturer in the world. India's annual production of automobiles in FY 2022 was 22.93 million vehicles. In FY 2022, total automobile exports from India stood at 5.60 million vehicles. India has a significant cost advantage, as automobile firms save 10-25% on operations vis-à-vis Europe and Latin America. In FY 2022, the Indian passenger car market was valued at US$ 32.70 billion (5.62 million units) with passenger vehicle sales reaching 3.07 million.

In Union Budget 2023-24 presented on 1 February 2023, adequate funds have been allocated for scrapping of old vehicles of Central and State Government. Replacing old polluting vehicles is indicated as an important part of greener economy.

The Indian automobile industry contributes significant portion of India's GDP. The auto components industry provides direct employment to 1.50 million people. This sector registered a CAGR of 6.35% and was valued at US$ 56.50 billion in FY 2022. As per Automobile Component Manufacturers Association (ACMA) forecast, auto component exports from India is expected to reach US$ 30 million by 2026.

The government aims to develop India as a global manufacturing and research and development (R&D) hub for automotive sector. It has set up National Automotive Testing and R&D Infrastructure Project (NATRiP) to act as a facilitator between government and the automotive sector. Government is also working to create an integrated electric vehicle (EV) mobility ecosystem with a low carbon footprint and high passenger density with an emphasis on urban transportation reform.

The Indian vehicle export is targeted to increase by five times over 2016-26. The electric vehicle industry in India is picking pace with 100% FDI possible, new manufacturing hubs, and increased push to improving charging infrastructure. EV sales have surged more than 2,218 percent over the past three years, with over 4,42,901 electric cars sold in FY 2023 (till 9 December), as compared to 19,100 sold in FY 2020.

The Indian government has planned US$ 3.50 billion in incentives over a five-year period until 2026 under a revamped scheme to encourage production and export of clean technology vehicles. Initiatives like Make in India, the Automotive Mission Plan 2026, and NEMMP 2020 will be a net positive for the sector.

Owing to the low penetration of passenger vehicles in the market, there is expected to be further growth in this segment boosting robust sales growth of Argon.

Electronics Sector: The PLI for semiconductor manufacturing was set at approx. US$ 10 billion, with the goal of making India one of the world's major producers of the components. This has attracted investments from large conglomerates including global majors in the electronics/ semiconductors segment keen to setup finished products and chip manufacturing plants in India aided by the favourable investment climate and through a longer-term China Plus One policy.

After a sharp rise in the export of mobile phones, the export of electronic goods is now on the rise. Over US$ 11 billion worth of mobile phones were exported last fiscal year. According to data made public by the commerce department, the exports of electronic goods may have risen by more than 50% to US$ 23.60 billion in the fiscal year 2022-23. As per the report, electronic goods were the sixth-biggest item in the basket. Due to the government's efforts to increase mobile phone production in India, electronic exports have increased significantly in recent years. This manufacturing includes marquee devices like Apple's iPhones.

With the impetus and thrust from the government on the semiconductor segment, we see a positive impact on all lines of business going forward.

Application Technologies: A key factor in the growth of MPG business has been new wins based on diverse Application Technologies. New wins in the Iron and Steel, Secondary Copper, and Secondary Lead and Manufacturing Industry segments continued to increase in 2022, just like previous years. Fuel savings, decarbonization and cost saving are the main drivers. The consumption pattern since Covid has changed, with more people consuming packaged and processed foods. As a result, the Ready to Cook and Ready to Eat segment's PSO for bottom chilling and cryo freezing received first-time awards. The market for nitrogen dosing has also expanded from packaged water to edible oils and energy drinks. New gas applications for cutting gas and tyre curing are now undergoing testing.

Crude oil prices: Crude oil prices have been stable across towards the end of 2022 and early 2023. According to the data released by Department for Promotion of Industry and Internal Trade (DPIIT), FDI inflows in India's petroleum and natural gas sector stood at US$ 7.98 billion between April 2000-March 2022.

Gases Performance

The Company continued to optimize plant operations with a view to improve specific power in various plants on an ongoing basis. Productivity initiatives were taken up at various sites to improve profitability. The Company has started sourcing of renewable energy through long term contract for 15 years for Taloja plant for nearly 50MU/year. The Company has signed long term agreements for renewable sourcing for its new upcoming units at Dahej, Sricity and Ludhiana for majority of its consumption. The same has also been done for its unit in Selaqui starting from Q4 2023-24. The Company is also installing rooftop solar panels in some of its sites where feasible. It has plans to tie up renewable sources of energy on long term basis at its Rourkela plant sites, while exploring other sites as well.

The drive for the improvement in efficiency continued in 2022 also and several specific power reduction projects were carried out across the sites resulting in savings of more than 850kW. Loss reduction projects were also successfully undertaken at some sites.

Merchant Bulk business witnessed an 8% increase in revenues against FY 2021. Growth in pharma has helped drive up Nitrogen volumes. Increased Oxygen and Nitrogen sales were catered to due to a spike in requirement from Steel and Refinery segment. Regularization of Argon volumes across the country post two consecutive years of slowdown in the automobile and metal fabrication segments was also established. There was a strong growth in ceramics, ampules and specialty chemicals aiding business growth.

Uninterrupted medical oxygen supply to hospitals associated with Linde India Ltd. has been the key driver of the Healthcare business. Keeping this core objective at the heart of everything we do, Linde India Ltd. has installed/enhanced multiple Liquid Medical Oxygen installations and healthcare PSA installations across the country. The healthcare team consistently works towards anticipating customer needs and has extended the promotion of ENTONOX® - Linde's patented mixture of Nitrous Oxide and Oxygen as analgesic and anxiolytic agent to colonoscopy in addition to pain managed normal childbirth. Your Company has introduced a new product - NOxBOXi®, NO therapy system mainly used for organ transplant and treatment of respiratory distress in newborns.

Healthcare business revenue was 22% lower than FY 2021 on account of regular volumes returning post the pandemic-driven spike seen in FY 2021. The Company has extended its medical gas pipeline system into private hospitals as well together with fresh orders, expanded geographic footprint for LIV cylinder facility in West and East India and widened customer reach with participation in several healthcare symposiums and exhibitions.

Industrial Products reported an increase of 32% on account of increased industrial activity for production backlog clearance and inorganic growth effect. Some of the key initiatives undertaken in the year included:

- successful commercialization of the HPS Gases plant at Vadodara which was acquired in FY 2021, reaching out to a newer customer base.
- setting up of first-ever women operated packaged gases facility in Trichy, Tamil Nadu.
- continuation of the growth agenda with focus on high margin products and Minibulk installations for longer customer relationships.

The Specialty Gas business reported an annual growth of 18% against FY 2021. Post some initial supply shocks due to the Russia-Ukraine conflict, the supply chain has stabilized towards end of FY 2022 with a robust growth outlook. The Company has increased its focus on the growing segment of ophthalmic mixes. The Company commissioned a 300 Bar Helium filling at its Taloja helium trans-fill facility.

Post the investment approval for a new ASU in Dahej last year, the Company also received an investment approval for a new ASU in Ludhiana, Punjab for growth into the under-served secondary steel, metfab & pharma market. Both investments (approx. 500 tpd) are expected to get commercialized within FY 2023. Leveraging its strong footprint in the steel sector, your Company won orders for setting up ASUs at ESL Steel Limited, Bokaro and Jindal Stainless Limited, Kalinganagar. This is further expected to cement our position in East India, taken together (approx. 2,200 tpd). For strengthening our presence in the semiconductor segment, the Company is setting up a high purity Nitrous Oxide facility at its existing Hyderabad plant.

Customer Experience

Linde India Gases business is committed to providing best-in-class Customer Experience (CX) in the industry. In today's highly competitive, complex and customer-centric world, the Company focuses on every opportunity to understand & action the expectations of our customers. We are able to harness this knowledge to achieve a sustainable competitive advantage through our first in industry, Customer Experience Program. The Company endeavours to Acknowledge, Respond & Resolve every customer concern. We made sure to keep pace with Industry best practices & evaluate ourselves around global metrics like Net Promoter Score (NPS), Customer Effort Score (CES) &

Customer Satisfaction Index (CSI). What the customers think, feel & perceive about us is our only reality & the Company decided not only to hear them out but also to take action on all the insights that we identify.

In FY 2022, the Company conducted a pan-India Customer Experience Survey across its various businesses to measure CX. It is an encouraging fact for us that we improved our performance on all the metrics. Our Customer Effort Score (CES) improved by 2%, our Net Promoter Score (NPS) by 14% over FY 2021 survey scores for its MPG business. Our overall Customer Satisfaction Index (CSI) improved by 2% over FY 2021.

The Company's Gases business was audited for ISO 10002:2018 & ISO 10004:2018 compliance for its Customer Experience program in January 2023. This was the fourth year in a row for the Company to have successfully completed this audit for renewal of the certificate.

Distribution

The Distribution function, which takes care of the supply chain in the Gases business is key to its strategy. As mentioned in earlier years, the supply chain requires significant investments in the form of distribution assets and storage networks to service bulk volumes as well as in the form of cylinders to service relatively smaller volumes in the packaged gases business.

Transport Safety remains a challenge area and the Company has given high priority to this with a view to overcome and mitigate the safety risks involved in distribution of products. Taking the safety journey forward, your Company has upgraded the Transport Operation Center (TOC) for more focused monitoring and enhanced the training protocol for the Distribution crew. Since last few years, all our vehicles are equipped with five sets of cameras covering the entire periphery of the vehicle and one set of Fatigue & Distraction AI enabled camera to ensure that any fatigue and distraction event(s) of drivers are identified and immediate actions are triggered to prevent the vehicle from any untoward incident. To ensure the fitness of our drivers at all sites, the Company has introduced fit for duty test so that before drivers start a delivery trip, it is ensured that they are fit and agile to drive. Another signature program that your Company runs is "Near Miss Reporting" where the distribution crew at all levels are encouraged to report Near misses, which highlights the challenges in our operation and necessary corrective actions are taken proactively. The Company has digitized its Driver Risk Profiling system where all the risky violations including over speeding, hard acceleration, harsh breaking, etc., are captured through the system, which impacts the driver score and accordingly, the reward mechanism for the drivers.

With several innovative efficiency improvement programs, the Company has improved its delivery efficiency, i.e., tons /trip by 13% whereas overall delivered tonnes improved by 4%. In order to improve the cost efficiency, the Company has brought down the return and loss quantity to 1% average and improved the capacity utilization of the tanker by 4%.

On the training front, during the period under review, the Company has covered more than 80 managers under Transport Manager Reboot program which provided proper training and certification to the managers on the safe operating discipline. Driver coaches have been deployed against every set of 50 drivers, to mentor them, monitor their driving and other behavior on duty online, provide continuous coaching to them on safe behavior, and also provide inputs to the drivers on best practices.

Through experts, continuous periodic trainings have been imparted to the drivers & distribution crew to enhance their Operating and Behavioral skill. The Company's overall Safety performance has improved since previous years & were successful to avoid any 'In-Control' incidents during the 15 months period ended 31 March 2023.

Various initiatives, viz., complete health check-up for crews, dynamic risk assessment & on-board announcement system and awareness programmes on two-wheeler safety (as a CSR Initiative) have been taken by the Company to improve the safety performance of the distribution function in general.

As reported in the previous Annual Reports, the Company has implemented Simulator at Jamshedpur for driver training, the first of its kind in India, where the equipment functionality has been enhanced to provide a more realistic scenario to the drivers for training. During the period under review, more than 75 drivers were trained, which resulted in reduced transport related incidents in the Company.

Project Engineering

The Project Engineering Division comprises the business of design, engineering, supply, installation, testing and commissioning of Air Separation plants and related projects on turnkey basis. The Project Engineering Division (PED) is having a U stamp-certified manufacturing works to fabricate core proprietary equipment such as distillation columns for air separation plants, cryogenic liquid storage tanks, ambient and steam bath vaporizers, process vessels, small-sized cold boxes, containerized micro plants for filling cylinders, submerged combustion vaporizer, liquefiers for in-house use as well as for sale to third party customers. The PED is IMS certified since 2020.

Considering the future business outlook, another fabrication shop is being constructed in Jamshedpur, which is expected to be operational during the current FY 2023-24.

The order intake during the period under review was to the tune of Rs. 12,140 million. This includes an export order for the supply of a cold box for an N_2 liquefier of 300 TPD capacity at MIMS Florida USA for LG. This project is crucial for the Company as it was won against stiff competition from Linde China. This is expected to open doors for similar projects for the USA / Europe market. Apart from this, PED also received many in-house orders from the Gases division. Some of the major orders received by the Division during the period under review were from refineries, steel and mining sectors such as 1850 TPD ASU from Tata Steel Jamshedpur, 150 TPD N_2 plant from Numaligarh Refinery

Ltd., 60 TPD O_2 plant with IA/PA system from IOCL Gujarat Refinery, 1450 TPD ASU for Jindal Stainless Steel – Duburi, Odisha, 800 TPD ASU for ESL Steel Ltd., Bokaro, 250 TPD Merchant ASUs at Ludhiana as well as at Patencheru (Telangana) and GAN augmentation from existing 2000 TPD ASU with 7km pipeline from LG Indonesia for Lotte Chemicals.

During the period under review, the Division successfully commissioned several projects, which included compressed Air and Nitrogen plant package for HPCL Mumbai Refinery, HPCL Vizag Refinery, HMEL Bhatinda Nitrogen plant, Assam Petrochemical Ltd., Meghna, Bangladesh (100 TPD ASU) and IOCL Paradip (629 TPD ASU).

The Division is presently executing several projects, which include compressed Air and Nitrogen plants at HRRL at Rajasthan, Air Separation Units at JSW at Bellary, NMDC at Naganar Chhattisgarh, Sesa Goa at Vedanta Amona Plant and Schott Glass at Gujarat.

As on 31 March 2023, the order book position of PED for third party projects was about Rs. 14,200 million.

Opportunities

India is known as the "pharmacy of the world" due to the popularity of its economical and high-quality medicines worldwide. India is the third-largest producer of pharmaceutical goods globally (in terms of volume) and the twelfth-largest producer (in terms of value). With a 20% volume share in the global supply of generic drugs, the industry leads the world in both production and sales of vaccines, accounting for 60% of the global market. Indian pharmaceutical industry is known for its generic medicines and low-cost vaccines globally. India also has the highest number of US-FDA-compliant Pharma plants after USA. By 2030, the total market size of the Indian Pharmaceutical Industry is estimated to reach US$ 130 billion. India's budget 2023-24 for healthcare covers an increase of 13% allocation from Rs. 791,450 million in FY 2022-23 to Rs. 891,550 million in FY 2023-24. Over the last five years, the sector has seen a 27% rise in allocations from Rs. 626,590 million in FY 2020 to Rs. 891,550 million in FY 2023-24. Expenditure in Healthcare sector is growing & the Pharma sector is also expanding by way of Active Pharmaceutical Ingredients (API) and Bulk drug manufacturing parks. In the Economic Survey of 2022, India's public expenditure on healthcare stood at 2.10% of GDP in FY 2021-22 against 1.80% in FY 2020-21 and 1.3% in FY 2019-20.

Production Linked Incentive (PLI) Scheme for Pharmaceuticals offers incentives for incremental sales to selected members. Active Pharmaceutical Ingredients (API) as well as other types of pharmaceutical products are eligible under the scheme. The tenure of the scheme is from 2020-21 to 2028-29 with a total financial outlay of US$ 1.82 billion (Rs. 150,000 million).

India's steel production and consumption grew by 5.70% and 11.50%, respectively during April – December 2022 (as per CareEdge Research). The rating agency estimates India's steel production to be in a range of 117-119 million tonnes, up by 3-5% year-on-year in FY 2023. The consumption growth rate is expected to be healthy at 10-12% in FY 2023. The annual production of steel is anticipated to exceed 300 million tonnes (MT) by 2030–31. As of 2022, India was the world's second-largest producer of crude steel, with an output of 10.14 MT. In FY 2022, the production of crude steel and finished steel stood at 133.59 MT and 120.01 MT, respectively. In FY 2023, steel demand is expected to grow by 8%. Per capita finished steel consumption is expected to rise to 160 kg by 2030-31 (from 72.3 kg in 2021). India's finished steel consumption is anticipated to increase from 133.6 MT in FY 2022 to 230 MT by FY 2030-31. Steel industry is witnessing consolidation and capacity expansion by global majors. India's steel ministry inked 57 agreements with steel firms to create 25 MT of special steel capacity under US$ 770 million PLI scheme. Steel exports declined sharply by 54% year-on-year during April to December 2022 due to weak global demand and 15% export duty levy on steel products from May – November 2022. In November 2022, the government had withdrawn the export duty on steel products, iron ore lumps and fines (< 58% iron content) and iron pellets while the export duty of iron ore lumps and fines (> 58% iron content) has been reduced from 50% to 30%. The reversal of the export duty hike is expected to boost the Indian exports of steel products in the near to medium term.

Supply disruption in major economies has caused the global end-user industries to diversify their vendor base mainly towards Indian players. The Indian chemicals industry stood at US$ 178 billion in FY 2019 and is expected to reach US$ 304 billion by FY 2025 registering a CAGR of 9.30% on the back of rising demands in the end-user segments for specialty chemicals and petrochemicals. The specialty chemicals sector is expected to reach US$ 40 billion by FY 2025. According to CRISIL, the Indian specialty chemicals industry would outperform its Chinese counterpart and double its worldwide market share to 6% by FY 2026, up from 3-4% in FY 2021. Growth will be fuelled by two factors, viz. significant export tailwinds due to a shift in the global supply chain caused by vendors' China's policy and demand recovery in local end-user segments.

Acceleration of infrastructure projects, infusion of liquidity into stressed sectors, including MSME to have chain reaction in the economy. Self-reliant Stimulus (approx. US$ 280 billion) is expected to pep up industrial activity, increased privatization and faster economic revival.

The Government of India's aspiration of becoming US$ 5 trillion economy by FY 2025, 'Make in India' focused government policies, favorable investment climate and low political risks provide great opportunities for growth in the medium to long term.

Threats

At macro-economic level, the ongoing climate change and the World Meteorological Organization's prediction that an El Niño warming event is likely to occur in the next couple of months, could hamper farm output. This would directly impact rural consumption including industries like automobiles, steel, cement, etc. where the Company has an exposure. The fragile geo-political situation is further impacting the supply chain management and GDP growth. Recessionary environment prevailing in the European Union and United States could have a negative impact on segments with exposure to exports. Reduced output from refineries in Russia impacting the global availability for rare gases, primarily Neon, which is a key ingredient for LASER mixes in SPC business.

Intense competition is observed in the small onsite & sale of equipment space with a lot of overseas players willing to compromise on margins for newer markets. India is witnessing a huge capacity expansion in ASUs both in the captive & merchant space. Increase in competition by way of entry of new players into merchant market including non-gas players. With abundance in liquid availability, most of the smaller players have de-captivated their classical gas plants owing to cheaper liquid, thus impacting the Company's PGP (IP) sales. Predatory pricing with compromising margins is dominating the commercial discipline to load new capacity. Heavy reliance on steel segment, sluggish metal fabrication & two-wheeler market along with Argon from captive plants influencing market availability and pricing are some of the business risks that the Company faces. With impetus from government financing & NGO's approx. 3,756 PSA plants are currently operational in the country, impacting liquid medical oxygen sales. Some of the risks covered under the Risk Management section in this Report may also be considered as threats in short to medium term.

Risk Management

Your Company's business faces various risks - strategic as well as operational in both its segments viz. Gases and Project Engineering, which arise from both internal and external sources. As explained in the report on Corporate Governance, the Company has an adequate risk management system, which takes care of identification, assessment and review of risks. Your Company has been holding risk workshops periodically to refresh its risks in line with the dynamic and ever- changing business environment and the last refresher risk workshop was conducted on 25 October 2021, which was attended by the senior management team with a view to refresh the various risks facing the business of the Company. The risks being addressed by the Company during the period under review included risk relating to the organisation structure, risk of reliability issues of large ASUs, risk of cyber-attacks on Linde plants and business systems, competition risk, risk related to increase in fuel prices, commodity price inflation and its impact on operating margins and the risk arising from potential future waves of Covid-19, etc. The Company is in the process to adopt a structured approach to identify the landscape of ESG risks relevant to its operations and will take mitigating actions as necessary to address the same.

Your Board of Directors oversees the risk management process in the Company and reviews the progress of the action plans for the identified key risks with a distinct focus on top 5 key risks on a quarterly basis. Upon superannuation, Mr Pawan Marda ceased to be the Chief Risk Officer of the Company effective 1 March 2023. The Risk Management Committee at its meeting held on 20 March 2023 appointed Mr Amit Dhanuka, Company Secretary of the Company as the new Chief Risk Officer with effect from that date.

The Company has a Risk Policy with a view to provide a more structured framework for proactive management of all risks related to the business of the Company and to make it more certain that the growth and earnings targets as well as strategic objectives are met.

Finance

As on 31 March 2023, your Company had 'zero' outstanding borrowing.

There were no material changes and commitments affecting the financial position of the Company, which occurred between the end of the period to which these financial statements relate and the date of this report.

Credit Rating

As your Company has 'zero' borrowings from the Banks, the last available rating of your Company's total bank facilities - both fund-based and non-fund based by CRISIL was withdrawn with effect from 1 August 2021.

Large Corporates Disclosure for Fund raising through Debt securities

As on 31 March 2023, your Company did not have any long-term borrowing. As a result of the same, your Company does not meet the criteria specified by SEBI for large corporates for fund raising through debt securities.

Deposits

During the period under review, the Company has not accepted any deposits from public under Chapter V of the Companies Act, 2013.

Significant and Material Orders passed by the Regulators or Courts

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

Insolvency and Bankruptcy Code, 2016

During the period under review, neither any application nor any proceeding has been initiated against the Company under the Insolvency and Bankruptcy Code, 2016.

Particulars of loans, guarantees or investments

The particulars of loans, guarantees given and investments made during the period under review under Section 186 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to this Report. **[Annexure 3]**

Key Financial Ratios

Please refer Note. no. 48 of the Standalone Financial Statements for the details on Key Financial Ratios.

Investor Education and Protection Fund

During the period under review, your Company transferred the 60th unpaid/unclaimed dividend amount of Rs.0.68 million pertaining to the financial year ended 31 December 2014 to the Investor Education and Protection Fund in compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013. In compliance with these provisions read with the Investor Education and Protection Fund

Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, your Company also transferred 20,246 shares held by 157 shareholders to the Demat Account of the IEPF Authority on 23 July 2022 and 2 August 2022, in respect of which dividend had remained unpaid/unclaimed for a consecutive period of 7 years. More information in this regard is provided in the Corporate Governance Report.

Safety, Health, Environment and Quality (SHEQ)

At Linde, our aim truly is to avoid causing harm to people or the environment and as such Safety remains one of our topmost priorities. Compliance with SHEQ rules, standards and procedures is a pre-requisite for all employees & contractors and the Management is committed to ensure that all personnel are trained and made competent before undertaking any safety critical job for the Company.

Covid-19 related government & company restrictions have been reduced, however, the Company continues to focus on seamless supplies to hospitals. Your Company continues to maintain the Covid – 19 Health principles such as hygiene, social distancing, regular health check-up of our employees, screening of visitors at Linde India's offices and sites, as appropriate. A robust business continuity plan is in place in case any such crisis arises in future so that we are able to cater to any such situation.

Global Safety Commitment Day 2022 was celebrated at all Linde operating sites as well as project sites in the month of September 2022 with theme of 'Focus on Safety - Moment-to-Moment'. The objective is to spend time with our colleagues & reiterate the fact that safety is a decision each one of us must make every day from moment-to-moment.

Positive outcomes have been received with the introduction of new SHEQ application for incident reporting & encouraging all to report any unsafe behaviour, near-miss, process safety Tier–3 incidents, in terms of new learnings. These learnings are now being used for training & process improvement purposes as well. The new system has already started showing its results by way of reduction of repetitive incidents. A process has been established for weekly review of all high-risk potential near misses by Leadership team for more focus & attention of the management actions.

In order to strengthen the SHEQ performance, a comprehensive SHEQ Annual Operating Plan (AOP) was introduced, covering the area of improvements in Process safety, Distribution safety, Operational safety, Behavioral & Personnel safety and Quality & Environmental safety, which helped in prioritizing our efforts. Focus was also given on training of plant personnel through various campaigns such as "Slips Trips & Fall", Lifting equipment, Working at Height, Hand protection at Project Sites, Management of Change, Permit to Work, etc. together with various Management control actions.

At Linde, we have never stopped embracing technological advancement. Your Company has upgraded its fleet monitoring system with DVR's with enhanced capabilities, Clinical Test Equipment for Drivers fit for duty tests, exploring advance warning system on vehicles, etc. Transport safety performance have improved compared to previous years.

Human Resources

With Covid-19 having gradually receded in 2022, your Company has embraced the hybrid work model to give employees the flexibility and help maintain a work life balance. Workplace fun initiatives were also organized at regular time intervals to maintain the engagement levels.

The growth in economy has also led to scarcity of good talent. Your Company continued to focus on retaining its talent by giving enhanced responsibilities and growth opportunities. The Company also provided career enhancement opportunities to inhouse talent rather than hiring from outside, whenever vacancies arose. On the Diversity and Inclusion front, your Company onboarded an all women batch of youngsters hired from colleges across the country as part of its campus hiring programme. They are currently undergoing training in various functions.

Employee Relations scenario continues to be harmonious and supportive for enhanced business activities post Covid period. Regular connect with operating unions and factory visits by HR representatives kept us abreast of the issues faced by employees and their quick resolution. During the period under review, with relaxation of Covid norms, various engagement activities for blue collar employees including celebration of festivals, picnics and get together were organized which helped to re-establish the employer-employee bond.

Your Company also introduced 'Project Prayas', aimed at engaging people at the grass root level in the journey of sustained culture of productivity. The Project was initially implemented at two manufacturing units, where interactive sessions were arranged for the operators/technicians including outsourced resources and they were introduced to the concept of Kaizen, lean methodology and problem-solving techniques. A total of 31 such projects have been rolled out and individuals showing exceptional contribution, from diverse categories, have been rewarded.

The Company had harmonious employee relations across all its plants and offices in India. As on 31 March 2023, the total manpower strength was 207.

Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company remains committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. The Company's Policy on Prevention of 'Sexual Harassment' is in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. Internal Complaints Committee (ICC) has been set up to redress complaints, if any, received regarding sexual harassment. All employees whether permanent, contractual, temporary, etc. have been covered under this Policy. The Policy is gender neutral.

During the period under review, no complaint alleging sexual harassment was received by the Company. As a preventive measure and to create awareness in this area, the Company has been conducting refresher programs for all permanent and contractual employees on a periodic basis.

Prescribed Particulars of remuneration

The disclosures pertaining to ratio of remuneration of each Director to the median remuneration of all the employees of the Company, percentage increase in remuneration of each Director and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are annexed to this Report. **[Annexure 4]**

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement containing the names and other prescribed particulars of top 10 employees in terms of remuneration drawn and that of every employee, who if employed throughout the period from 1 January 2022 to 31 March 2023 was in receipt of remuneration aggregating to not less than Rs. 10.20 million; and if employed for part of the said period, was in receipt of remuneration not less than Rs.0.85 million per month is annexed to and forms part of this Report. However, having regard to the provisions to the first proviso of Section 136(1) of the Companies Act, 2013, the Annual Report is being sent to all the Members of the Company excluding this information. The aforesaid statement is available for inspection by shareholders at the Registered Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. Any shareholder interested in obtaining a copy of the said information may write to the Company Secretary at the Registered Office of the Company and the same will be furnished on request and the said information is also available on the website of the Company. None of the employees are covered under Rule 5(3)(viii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended.

Corporate Social Responsibility (CSR)

As a member of The Linde plc Group, your Company has been a socially responsible corporate and our core values define the way we operate and create value within the larger society. Linde's core principles and values form the basis of its CSR policy. Your Company is therefore, committed to behave responsibly towards people, society and the environment for inclusive growth of the society where we operate to conserve natural resources and to develop sustainable products. In line with its CSR Policy, Linde India's CSR commitment centres around four thematic areas - Education, Health, Environment and Livelihood (Skill Development) and other areas including Disaster Management as specified in Schedule VII to the Companies Act, 2013.

Some of the CSR projects/initiatives taken up/sustained during the period under review included expenditure for education programs for underprivileged children in Kolkata, Jamshedpur and Odisha, providing education and other support for blind children in Rourkela. Further, as a part of its endeavour to support disaster relief, the Company made a contribution through Give India by way of food and hygiene necessities for Assam flood victims. Other such initiatives towards disaster relief included projects across plant and office locations proposed and executed by the employees of the Company aimed at community building. The Company also had two ongoing projects, one of them being Defensive driver training in collaboration with Institute for Road Traffic Education for drivers of heavy vehicles at several locations including Delhi NCR, Uttar Pradesh, Rajasthan, West Bengal, Odisha, Maharashtra and Jharkhand for making the highways safer and two-wheeler training workshops for delivery agents and first-time drivers and university students in Delhi NCR. It also included a project on building infrastructure in Gujarat by Scaling Zero Fatality Corridors called the "Zero-Fatality Corridor" (ZFC) model, a solution which identifies high-fatality stretches of roads and implements distilled solutions. Another ongoing project of the Company comprised of training and awareness programs through Centre for Catalyzing change to promote the cause of natural childbirth and reduce the rate of C-Section deliveries in Odisha and Lucknow. The Company's CSR initiatives towards environment included plantation of trees at different parts of West Bengal.

The total spend on CSR during the period under review amounted to Rs.45.16 million on various CSR projects/activities as above. Your Directors wish to state that the CSR Committee and the Board of your Company had approved a total budget of Rs. 51.24 million towards its various CSR projects vis-a-vis the statutory CSR spend of Rs. 50.07 million under the Companies Act, 2013. The balance unspent amount of Rs. 6.08 million has been transferred to the unspent CSR bank account on 24 April 2023.

The details of the CSR projects/activities for the 15 months period from 1 January 2022 to 31 March 2023 are covered in the Annual Report on CSR activities, which is annexed to this Report. **[Annexure 5]**

Your Company encourages volunteering of services by its employees into its CSR initiatives, which are measured as employee days spent on CSR projects.

Business Responsibility and Sustainability Report

The Linde plc Group has published a detailed Sustainable Development Report 2021, which is prepared in accordance with GRI standards. Linde plc Group's mission of "making our world more productive" reflects its strong belief that Linde is a part of the solution to the climate change challenges faced by the world. As a member of the Linde plc Group, your Company has adopted the various policies of its parent, that relate to the 9 principles laid down by Securities and Exchange Board of India for Business Responsibility and Sustainability Reporting (BRSR) by the top 1000 listed entities in India based on market capitalisation. As stipulated in Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has included a BRSR as an integral part of the Annual Report for the period ended 31 March 2023 briefly describing initiatives taken by it from an environment, social and governance perspective during the period under review. Besides, this report, the Company is in the process to adopt a structured approach for a better understanding of the ESG data relevant to its operations.

Corporate Governance

As a member of the Linde plc Group, your Company attaches great importance to sound responsible management and good corporate governance. Linde plc follows highest standards in corporate governance and has policies and international best practices to build a strong governance architecture. Your Company remains committed to business integrity, high ethical standards and professionalism in all its activities same as ever. As an essential part of this commitment, the Board of Directors of Linde India Ltd. supports high standards in corporate governance.

It is the endeavour of the Company to ensure that their actions are always based on principles of responsible corporate management. In the Linde plc Group, corporate governance is seen as an on-going process. Your Company closely follows the developments in the governance norms and has taken lead in ensuring compliance with the same. A separate report on Corporate Governance along with the certificate of the Secretarial Auditor, M/s P Sarawagi & Associates, Company Secretaries, confirming compliance of the conditions of corporate governance, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Annual Report.

Board Meetings

A calendar of Board and Committee meetings is agreed and circulated in advance to the Directors. The Board met six times during the period under review, details where of are given in the Corporate Governance Report, which forms part of this Report.

Board Membership Criteria

The Nomination and Remuneration Committee of the Company identifies and ascertains the integrity, qualification, expertise, positive attributes and experience of persons for appointment as Directors and thereafter recommends the candidature for election as a Director on the Board of the Company. The Committee follows defined criteria in the process of obtaining optimal Board diversity which, inter-alia, includes optimum combination of executive and non-executive directors, appointment based on specific needs and business of the Company, qualification, knowledge, experience and skill of the proposed appointee, etc. The Policy on appointment and removal of Directors, Board Diversity Criterion and Remuneration to Directors/Key Managerial Personnel/Senior Management forms part of the Nomination and Remuneration Policy of the Company, which is available on the Company's website at https://www.linde-gas.in/en/images/Nomination%20and%20Remuneration%20Policy_tcm526-657189.pdf.

Familiarisation Programme for Directors

In terms of Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company is required to conduct the Familiarisation Programme for Independent Directors (IDs) to familiarise them about their roles, rights, responsibilities in your Company, nature of the industry in which your Company operates, business model of your Company, etc., through various initiatives. The details of training and familiarization programmes for Directors have been provided under the Corporate Governance Report. Apart from the initial familiarisation program as above, presentations are made to the Board Members at almost all board meetings to enable them to familiarise and update themselves with the changes in the applicable legal framework, competition, industry specific developments, etc. The details of the familarisation programs held during and up to the period ended 31 March 2023 are available on the Company's website at https://www.linde-gas.in/en/images/Linde_Familirisation%20Programme_01.01.2022-31.03.2023_tcm526-676683.pdf.

Performance Evaluation

During the period under review, pursuant to provisions of Section 134, Section 149 read with Code of Independent Directors (Schedule IV), Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee of the Board reviewed the process and criteria used in the previous year for evaluating the performance of the Board, its Committees, Chairman of the Board and the individual directors. Like the previous year, an online platform was provided to the Directors for participating in the performance evaluation process, which contained a structured questionnaire for seeking feedback from the Directors on certain pre-defined attributes applicable to them, including some specific ones for the Independent Directors. More details about the performance evaluation process followed by the Board are provided in the Corporate Governance Report.

Declaration of Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The declarations received from the Independent Directors are aligned to the amendment made in the Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which became applicable effective 1 January 2022.

Certificate for non-disqualification of Directors

On an annual basis, the Company obtains from each Director, details of their Board and Committee positions he/she occupies in other Companies and changes, if any regarding their Directorships. The Company has obtained a certificate dated 23 May 2023 from M/s. P Sarawagi & Associates, Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such authority and the same forms part of this Annual Report.

Internal Control Systems and their adequacy

Your Company continues to have adequate system of internal control commensurate with the size and the nature of its business, which ensures that transactions are recorded, authorised and reported correctly apart from safeguarding its assets against loss from wastage, unauthorised use and removal.

The internal control system is supplemented by documented policies, guidelines and procedures. The Company's Internal Audit department continuously monitors the effectiveness of the internal controls with a view to provide to the Audit Committee and the Board of Directors an independent, objective and reasonable assurance of the adequacy of the organization's internal controls and risk management procedures. The Internal Audit function submits detailed reports periodically to the management and the Audit Committee. The Audit Committee reviews these reports with the executive management with a view to provide oversight of the internal control systems.

Your Board has in compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approved several policies on important matters such as related party transactions, risk management, nomination and remuneration of directors and senior managers, whistle blower mechanism, CSR, insider trading, practices and procedures for fair disclosure of unpublished price sensitive information, materiality of events/ information, preservation of documents, etc., which provide robust guidance to the management in dealing with such matters to support internal control. The Company reviews its policies, guidelines and procedures as a matter of internal control on an on-going basis in view of the ever-changing business environment.

Additionally, M/s. Suresh Surana & Associates LLP, Charted Accountants engaged by the Company reviews the framework of its existing internal financial controls across the Company and testing of the operating effectiveness of various internal controls in the organisation. M/s. Suresh Surana & Associates LLP has submitted a report to the Audit Committee on their findings based on the testing of the key controls for the 15 months period ended 31 March 2023. The Statutory Auditors of the Company have also independently reviewed internal financial controls over financial reporting. Both Suresh Surana & Associates LLP as well as the Statutory Auditors have confirmed that these controls were operating effectively as at 31 March 2023. As stated in the Responsibility Statement, your Directors have confirmed that based on the reviews performed by the internal auditors, statutory auditors, cost auditors, secretarial auditors and the reviews undertaken by the management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls have been adequate and effective during the 15 months period ended 31 March 2023.

Directors

During the period under review, Mr Robert John Hughes, Non-Executive Chairman of the Company stepped down from the Office of Chairman and Director with effect from close of business hours on 13 February 2023. Your Directors record their appreciation of the valuable contribution made by Mr Hughes to the functioning of the Company and the Board during his tenure. The Board of your Company has benefitted immensely from his wise counsel.

The Board of Directors had on the recommendation of Nomination and Remuneration Committee of the Board appointed Mr Michael James Devine (DIN: 10042702) as an Additional Director (Non-Executive) of the Company with effect from 15 February 2023. Subsequently, at the Board Meeting held on 20 March 2023, Mr Devine was elected as the Chairman of the Board with effect from that date. Further, appointment of Mr Devine as a Non-Executive Director of the Company was approved by the Members of the Company through Postal Ballot on 25 April 2023.

Dr Shalini Sarin was appointed as an Independent Director of the Company for a period of five years with effect from 10 July 2018 up to 9 July 2023. The Board of Directors of the Company at its meeting held on 23 May 2023, based on the recommendations of the Nomination and Remuneration Committee of the Board and as per the performance evaluation of Dr Sarin as a Member of the Board, considered that the continued association of Dr Sarin would be beneficial to the Company. The Board accordingly proposed to re-appoint Dr Shalini Sarin as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years effective from 10 July 2023 up to 9 July 2028.

Notice under Section 160(1) of the Companies Act, 2013, has been received from a Member proposing the candidature of Dr Sarin for the Office of Director of the Company.

Ms Mannu Sanganeria retires by rotation at the ensuring Annual General Meeting pursuant to the provisions of Section 152 of the Companies Act, 2013 and Article 104 of the Articles of Association of the Company and being eligible, offers herself for re-appointment.

Necessary resolutions for approval of re-appointment of Dr Shalini Sarin as Independent Director and re-appointment of Ms Mannu Sanganeria, being the director retiring by rotation are included in the Notice of the ensuing Annual General Meeting. The Board recommends the aforesaid resolutions for your approval.

Key Managerial Personnel

Pursuant to Section 203 of the Companies Act, 2013, the present Key Managerial Personnel of the Company are Mr Abhijit Banerjee, Managing Director, Mr Neeraj Kumar Jumrani, Chief Financial Officer and Mr Amit Dhanuka, Company Secretary. During the period under review, Mr Anupam Saraf, the erstwhile Chief Financial Officer of the Company had resigned from the Company with effect from close of business hours on 31 May 2022 and Mr Pawan Marda, the erstwhile Director – Corporate Affairs and Company Secretary of the Company superannuated from the services of the Company with effect from close of business hours on 28 February 2023. In view of the above cessations, Mr Neeraj Kumar Jumrani had been appointed by the Board as the Chief Financial Officer of the Company with effect from 9 August 2022 and Mr Amit Dhanuka had been appointed by the Board as the Company Secretary of the Company with effect from 1 March 2023.

Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, audit and reviews performed by the internal auditors, statutory auditors, cost auditors, secretarial auditors and the reviews undertaken by the management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls have been adequate and effective during the 15 months period ended 31 March 2023 (1 January 2022 to 31 March 2023).

As required by Sections 134(3)(c) and 134(5) of the Companies Act, 2013, the Directors to the best of their knowledge and belief state and confirm:

a. that in preparation of the annual financial statements for the 15 months period ended 31 March 2023, applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

b. that they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the aforesaid period and of the profit of the Company for that period;

c. that they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the aforesaid annual financial statements have been prepared on a going concern basis;

e. that they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f. that they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder.

Secretarial Standards

The Company has proper systems in place to ensure compliance with the provisions of the applicable standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

Related Party Transactions

All related party transactions entered during the period under review were in ordinary course of business and on arm's length basis and the same have been disclosed under Note 45 of the Notes to the Standalone Financial Statements. No material related party transactions, that is, transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements were entered during the period under review by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Details of conservation of energy, technology absorption and foreign exchange earnings and outgo in accordance with Section 134(3)(m) read with Companies (Accounts) Rules, 2014 are annexed to this Report. **[Annexure 6]**

Annual Return

A copy of Annual Return of the Company for the financial year ended 31 December 2021 in Form MGT-7 has been placed on the website of the Company at https://www.linde-gas.in/en/images/Linde%20India%20Annual%20Return_FY%202021_tcm526-675878.pdf. The Annual Return of the Company for the 15 months period from 1 January 2022 to 31 March 2023 would be updated on the Company's website within the due timelines.

Outlook

The Indian economy is looking at better growth prospects over the next five years. Structural improvements in the financial system, ongoing pace of reforms and policies that support a revival of the private sector pave the way for an improved medium-term outlook. Technological advancements, and other structural shifts such as emerging trends in global supply-chain de-risking and green transition hold out greater promise.

India's GDP growth is expected to remain robust in FY 2024. GDP forecast for the FY 2024 is expected to be in the range of 6-6.8%. Owing to a high-base effect, consumer inflation is expected to moderate to 5% in next fiscal from 6.8% in the current fiscal. Retail inflation is back within RBI's target range post November 2022.

Given the rising costs of production, policy uncertainty and tensions with the US, manufacturers are against focusing on a shift out of China. India is favourably positioned due to its large domestic market which is expected to grow faster than its peers.

Indian economy has also started benefiting from the efficiency gains resulting from greater formalisation, higher financial inclusion, and economic opportunities created by digital technology-based economic reforms. The capital expenditure of the Central Government and crowding in the private capex led by strengthening the balance sheets of the Corporates is one of the growth drivers of the Indian economy in the years to come. India's growth outlook seems better than the pre-pandemic years and the Indian economy is prepared to grow at its potential in the medium term.

India had one of the highest Covid-19 vaccination rates with over 95% of the eligible population (12+ year old) receiving at least one shot and 88% receiving two shots. Over 2.20 billion doses have been administered under the nationwide vaccination drive exponentially reducing the impact of a pandemic re-run.

India's working age group (15-64 years) is set to expand to 100 million over the next decade despite declining birth rates. In context, this would account for 22.50% of the incremental global workforce. Participation of women in the labour force is quite low. As per a World Bank report in 2018, India's GDP could add an additional 1.50% to its GDP, if 50% of the women join the labour force.

With Covid-19 pandemic turning into an inflection point in Digitalization, Linde India is also matching pace with the changes around. Key focus areas are:

- Growth, Revenue & Collection
- Cost Efficiencies & Digital Supply Chain
- Asset Effectiveness & Reliability
- Business Excellence and Customer Experience

Auditors

Statutory Audit

M/s. Price Waterhouse & Co. Chartered Accountants LLP (Firm Registration No. 304026E/E300009) was appointed as the Statutory Auditors of the Company at its 86th Annual General Meeting to hold office from the conclusion of the said meeting and until the conclusion of the 91st Annual General Meeting to be held in the year 2027.

The reports of the Statutory Auditors, Price Waterhouse & Co. Chartered Accountants LLP on the standalone and consolidated financial statements of the Company for the 15 months period ended 31 March 2023 (1 January 2022 to 31 March 2023) forms part of this Annual Report. The Statutory Auditors have submitted an unmodified opinion on the audit of financial statements for the 15 months period ended 31 March 2023 and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

The Board of Directors of the Company had on the recommendation of the Audit Committee, approved the revision in audit fees of M/s. Price Waterhouse & Co. Chartered Accountants LLP (Firm Regn. No. 304026E/E300009), Statutory Auditors of the Company from Rs. 58,00,000/- (Rupees Fifty-Eight Lakhs only) to Rs. 67,00,000/- (Rupees Sixty-Seven Lakhs only) plus applicable taxes and out of pocket expenses that may be incurred during the course of audit, for the 15 months period ended 31 March 2023 (from 1 January 2022 to 31 March 2023). The revised remuneration payable to the Statutory Auditors as recommended by the Audit Committee and approved by the Board for the aforesaid period has to be approved by the Members of the Company and appropriate resolution in this regard forms part of the Notice convening the ensuing Annual General Meeting.

Secretarial Audit

The Board of Directors of the Company had appointed M/s. P Sarawagi & Associates, a firm of Company Secretaries pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for undertaking the secretarial audit of the Company for the 15 months period ended 31 March 2023 (1 January 2022 to 31 March 2023). In terms of the provisions of Section 204(1) of the Companies Act, 2013, a Secretarial Audit Report dated 23 May 2023 in Form MR-3 given by the Secretarial Auditor is annexed with this Report. The Report confirms that the Company had complied with the statutory provisions listed under Form MR-3 and the Company also has proper board processes and compliance mechanism. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. **[Annexure 7]**

Cost Audit

In terms of Section 148 of the Companies Act, 2013, the Company is required to have the audit of the cost accounting records conducted by a Cost Accountant. M/s. Mani & Co., a firm of Cost Accountants conducted this audit for the Company's financial year ended 31 December 2021 and submitted their report to the Central Government in Form CRA 4 on 10 June 2022.

The Board of Directors of the Company had on the recommendation of the Audit Committee revised the term of appointment of M/s. Mani & Co., Cost Accountants having registration no. 000004 as the Cost Auditors of the Company from 1 January 2022 – 31 December 2022 to 1 January 2022 – 31 March 2023, i.e., for the 15 months period ended 31 March 2023 to conduct cost audit under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time. The audit of the cost records of the Company for the said 15 months period is being conducted by M/s. Mani & Co., Cost Auditors. In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the revised remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board for the aforesaid period has to be ratified by the Members of the Company and appropriate resolution in this regard forms part of the Notice convening the ensuing Annual General Meeting.

The Board of Directors of the Company had also on the recommendation of the Audit Committee appointed M/s. Mani & Co., Cost Accountants having registration no. 000004 as the Cost Auditor for the year ended 31 March 2024 to conduct cost audit under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time. In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the Members of the Company and appropriate resolution in this regard also forms part of the Notice convening the ensuing Annual General Meeting.

Acknowledgements

Your Directors wish to place on record their gratitude to the bankers, customers, dealers, suppliers and all other business associates and the shareholders of the Company for their continued support during the period under review. Your Directors, also place on record their appreciation of the contribution made by the employees of the Company at all levels and thank them for their dedication and commitment.

Your Directors also acknowledge the valuable support and cooperation received from the various Government departments and agencies in these challenging times and look forward to their continued support in the future. The Board of Directors also takes this opportunity to thank the Linde plc Group for their strategic inputs, guidance and support in various operational and functional areas. This has helped the Company to attain higher standards in every sphere of performance.

Disclaimer

Certain statements in this report relating to Company's objectives, projections, outlook, expectations, estimates, etc. may be forward looking statements within the meaning of applicable laws and regulations. Although the Company believes that the expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, actual results or performance could differ materially from such expectations, projections, etc. whether express or implied as a result of among other factors, changes in economic conditions affecting demand and supply, success of business and operating initiatives and restructuring objectives, change in regulatory environment, other government actions including taxation, natural phenomena such as floods and earthquakes, customer strategies, etc. over which the Company does not have any direct control.

On Behalf of the Board

M J Devine	**A Banerjee**
Chairman	Managing Director
DIN: 10042702	DIN: 08456907

Kolkata
23 May 2023

Annexure to Directors' Report.

[Annexure - 1]

Dividend Distribution Policy

1. Preamble:

This Dividend Distribution Policy has been made pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Effective Date:

The Policy shall become effective from the date of its adoption by the Board, i.e., 11th February 2017.

3. Definitions:

a. 'Act' means the Companies Act, 2013 including any amendments or modifications thereof.
b. 'Board' means the Board of Directors of the Company.
c. 'Company' means 'Linde India Limited'.
d. 'Policy' means 'Dividend Distribution Policy'.
e. 'Applicable law' means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes any other law or regulations as may be applicable to the Company from time to time.

4. Declaration:

The Company shall strive to declare a steady stream of dividends to the shareholders keeping their long term interest in mind. The dividend distribution shall be in accordance with the applicable provisions of the Companies Act, 2013, Rules framed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, as in force and as amended from time to time.

5. Circumstances under which the shareholders of the Company may or may not expect dividend:

The decision regarding dividend payout is a crucial decision as it determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business. The Company follows policy of consistent dividend payment to its shareholders and reasonably expects to continue declaring dividend in future as well, unless restrained by loss/inadequacy of profits during any financial year or any unforeseen circumstances.

6. Factors to be considered for Dividend Payout:

The Board will consider various internal and external factors, including but not limited to the following before making any recommendation for dividend on equity shares:

a. Stability of earnings.
b. Cash flow position from operations.
c. Future capital expenditure, inorganic growth plans, etc.
d. Industry outlook and stage of business cycle for underlying businesses.
e. Leverage profile and capital adequacy metrics.
f. Overall economic / regulatory environment.
g. Interim dividend paid, if any, based on the performance during the year.
h. Past dividend trends.
i. Such other factors as the Board considers appropriate.

7. Utilization of retained earnings:

The Company would utilize its retained earnings in a manner which is beneficial for the long term growth objectives of the business which will, inter-alia, include meeting the Company's growth plans, debt repayments, other contingencies, etc.

8. Disclosure:

This Policy will be available on the Company's website and in the Annual Report of the Company.

9. Authority to make alterations:

The Board of Directors of the Company may review and amend this policy from time to time.

On Behalf of the Board

M J Devine	**A Banerjee**
Chairman	Managing Director
DIN: 10042702	DIN: 08456907

Kolkata
23 May 2023

Annexure to Directors' Report.

[Annexure - 2]

Statement containing salient features of the financial
statement of subsidiaries/associate companies/joint ventures
[FORM AOC-1]
Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014

Part "A": Subsidiaries: Not Applicable
Part "B": Associates and Joint Ventures

Name of Joint Venture/Associate	Bellary Oxygen Company Pvt. Ltd.	Linde South Asia Services Pvt. Ltd.	Avaada MHYavat Pvt. Ltd.	FPEL Surya Pvt. Ltd.
Category (Joint Venture/ Associate)	**Joint Venture**	**Joint Venture**	**Associate**	**Associate**
1. Latest Audited Balance Sheet Date	31 March 2022	31 March 2022	31 March 2022	31 March 2022
2. Date on which the Joint Venture/ Associate was acquired	22 March 2006	24 March 2020	20 April 2022	3 March 2023
3. Shares of Joint Venture/Associate held by the Company as on 31 March 2023				
No. of shares	15,000,000 Equity Shares of Rs. 10/- each	2,000,000 Equity Shares of Rs. 10/- each	11,375,000 Equity Shares of Rs. 10/- each	1,539,000 Equity Shares of Rs. 10/- each
Amount of investment in Joint Venture	Rs. 150 Million	Rs. 20 Million	Rs. 114 Million	Rs. 76.95 Million
Extent of Holding (in percentage)	50%	50%	26%	26%
4. Description of how there is significant influence	There is significant influence due to shareholding and joint control over the economic activities of the JV Company.	There is significant influence due to shareholding and joint control over the economic activities of the JV Company.	No significant influence	No significant influence
5. Reason why the Joint Venture/ Associate is not consolidated	Not Applicable	Not Applicable	Considering the terms of investments company is not required to apply the equity method of accounting	Considering the terms of investments company is not required to apply the equity method of accounting
6. Net worth attributable to Shareholding as per latest Audited Balance Sheet	Rs.436.85 Million	Rs.255.30 Million	Rs.315.56 Million	Rs. 0.14 Million
7. Profit/(Loss) for the year				
Considered in consolidation	NA	Rs.86.30 Million	NA	NA
Not considered in consolidation	Rs.82.80 Million	Rs.86.30 Million	NA	NA

On behalf of the Board

M J Devine	**A Banerjee**	**J Mehta**	**N K Jumrani**	**A Dhanuka**
Chairman	Managing Director	Director	Chief Financial Officer	Company Secretary
DIN: 10042702	DIN: 08456907	DIN: 00033518	Membership No.: ACA 065258	Membership No.: ACS 23872

Kolkata
23 May 2023

Annexure to Directors' Report.

[Annexure - 3]

Particulars of Loans, Guarantees or Investments pursuant to Section 134 (3)(g) of the Companies Act, 2013

A. Amount outstanding as on 31 March 2023:

Particulars	Amount (Rs. in million)	Purpose
Loans given	Nil	-
Guarantees given	Nil	-
Investments made:		
• Bellary Oxygen Co. Pvt. Ltd.	150.00*	Equity Investment
• Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Pvt. Ltd.)	20.00	Equity Investment
• Avaada MHYavat Pvt. Ltd.	114.00	Equity Investment
• FPEL Surya Pvt. Ltd.	76.95	Equity Investment
• FP Solar Shakti Pvt. Ltd.	47.88	Equity Investment

**Investment classified as Asset Held for Sale.*

B. Loans, Guarantees and Investments made during the period 1 January 2022 – 31 March 2023:

Name of the entity	Relation	Amount (Rs. in million)	Particulars of loans, guarantees given or investments made	Purpose for which the loans, guarantees and investments are proposed to be utilized
Avaada MHYavat Pvt. Ltd.	Associate	114.00	Equity Investment	Purchase of renewable power under captive mechanism, which will result in a lower tariff and consequent cost savings.
FPEL Surya Pvt. Ltd.	Associate	76.95	Equity Investment	Purchase of renewable power under captive mechanism, which will result in a lower tariff and consequent cost savings.
FP Solar Shakti Pvt. Ltd.	-	47.88	Equity Investment	Purchase of renewable power under captive mechanism, which will result in a lower tariff and consequent cost savings.

On behalf of the Board

M J Devine	**A Banerjee**
Chairman	Managing Director
DIN: 10042702	DIN: 08456907

Kolkata
23 May 2023

Annexure to Directors' Report.

[Annexure - 4]

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(1) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company, percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary for the period 1 January 2022 – 31 March 2023:

Median remuneration of the employees of the Company for the period 1 January 2022 – 31 March 2023	Rs. 1,342,982
Percentage increase in the median remuneration of employees during the period 1 January 2022 – 31 March 2023	9.04%
The number of permanent employees on the rolls of the Company as on 31 March 2023	207

Name of Director/KMP	Remuneration (Rs. in million)	Ratio of remuneration of each Director to median remuneration of the employees of the Company	% increase in remuneration during the period 1 January 2022 – 31 March 2023
§ Non-Executive Directors			
Mr Robert John Hughes (01.01.2022 – 13.02.2023)	Nil	N. A.	N. A.
Ms Mannu Sanganeria	Nil	N. A.	N. A.
Mr Michael James Devine (15.02.2023 – 31.03.2023)	Nil	N. A.	N. A.
§ Independent Directors*			
Mr Arun Balakrishnan	3.61	2.69	47.35%
Mr Jyotin Mehta	4.07	3.03	45.18%
Dr Shalini Sarin	3.10	2.30	42.30%
§ Executive Director			
Mr Abhijit Banerjee, MD	33.12	24.66	6.00%
§ Key Managerial Personnel (other than MD)			
Mr Anupam Saraf, CFO (01.01.2022 - 31.05.2022)	7.06	N. A.	4.00%
Mr Neeraj Kumar Jumrani, CFO (09.08.2022 – 31.03.2023)	4.81	N. A.	N.A.
Mr Pawan Marda, CS (01.01.2022 - 28.02.2023)	13.65	N. A.	4.75%
Mr Amit Dhanuka, CS (01.03.2023 - 31.03.2023)	0.28	N. A.	N. A.

*Independent Directors remuneration includes sitting fees and commission paid during the period 1 January 2022 – 31 March 2023.

(2) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and exceptional circumstances for increase in the managerial remuneration, if any:

The average percentage increase made in the salaries of permanent employees other than the managerial personnel during the period 1 January 2022 – 31 March 2023 was 9.05%, whereas the increase in the managerial remuneration was 6.00%. The average increase every year is an outcome of the Company's market competitiveness, salary benchmarking survey, inflation and talent retention.

(3) It is hereby affirmed that the remuneration paid during the year is as per the remuneration policy of the Company.

On behalf of the Board

M J Devine	**A Banerjee**
Chairman	Managing Director
DIN: 10042702	DIN: 08456907

Kolkata
23 May 2023

Annexure to Directors' Report.

[Annexure - 5]

Annual Report on CSR Activities for 15 months period from 1 January 2022 to 31 March 2023

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

Your Company is committed to behave responsibly towards people, society and the environment for inclusive growth of the society where we operate, to conserve natural resources and to develop sustainable products. The CSR Commitment of your Company is centred around four thematic areas, viz. Education, Health, Environment and Livelihood (Skill Development) and other areas or subjects specified in Schedule VII of the Companies Act, 2013.

2. **Composition of CSR Committee:**

Sl. No.	Name of the Director	Designation	No. of meetings held during tenure	No. of meetings attended
1	Dr S Sarin	Chairperson (Independent Director)	5	5
2	Mr A Balakrishnan	Member (Independent Director)	5	5
3	Mr A Banerjee	Member (Managing Director)	5	5

3. **Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company**

Web-link of composition of CSR Committee https://www.linde-gas.in/en/file/file1/index.html
Web-link of CSR Policy of the Company https://www.linde-gas.in/en/images/Linde%20India%20CSR%20Policy_24022022_tcm526-676236.pdf
Web-link of the CSR Projects approved by the Board for the 15 months period ended 31 March 2023
https://www.linde-gas.in/en/images/CSR_Annual%20Action%20Plan_2022_tcm526-676693.pdf

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

Not applicable, as the average CSR obligation of the Company did not exceed Rs. 10 Crore or more, in the three immediately preceding financial years.

		Rs. in Million
5.	**(a) Average net profit of the Company as per sub-section (5) of Section 135**	2,503.28
	(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135	50.07*
	(c) Surplus arising out of the CSR projects/programmes/activities of the previous financial years	Nil
	(d) Amount required to be set off for the financial year, if any	Nil
	(e) Total CSR obligation for the financial year [(b)+(c)-(d)]	**50.07**
	*The total CSR budget approved by the Board of Directors of the Company	51.24

		Rs. in Million
6.	**(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)**	45.11
	(b) Amount spent in Administrative Overheads	00.05
	(c) Amount spent on Impact Assessment, if applicable	Not Applicable
	(d) Total amount spent for the Financial Year [(a)+(b)+(c)]	**45.16**
	(e) CSR amount spent or unspent for the Financial Year*:	

Total Amount Spent for the Financial Year (Rs. in million)	Amount Unspent (Rs. in million)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount (Rs. in million)	Date of transfer	Name of the Fund	Amount (Rs. in million)	Date of transfer
45.16	6.08*	24 April 2023	-	-	-

*Unspent CSR amount transferred to the separate Bank Account as required, is derived after deducting the CSR spent amount from the total CSR Budget approved by the Board of Directors for the 15 months period ended 31 March 2023.

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (Rs. in Million)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	50.07
(ii)	Total amount spent for the financial year	45.16
(iii)	Excess amount spent for the financial year [(ii)-(i)]	--
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	--
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	--

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub- Section (6) of Section 135 (Rs. in Million)	Balance Amount in Unspent CSR Account under sub- Section (6) of Section 135 (Rs. in Million)	Amount Spent in the Financial Year (Rs in Million)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (Rs. in Million)	Deficiency, if any
					Amount (Rs. in Million)	Date of transfer		
1.	2021	-	-	-	-	-	-	-
2.	2020	-	-	8.55	-	-	5.53	-
3.	2019	-	-	-	-	-	-	-

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

Yes✓ No

If Yes, enter the number of Capital assets created/ acquired

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (Rs. In Million)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR registration No., if available	Name	Registered Address
1	Setting up of Heavy Motor Vehicle Driving Simulator*	Linde India Ltd, T8, MIDC Industrial Area, Navi Mumbai – 410208	October 2022 to February 2023	7.31	-	-	-
2	Ambulance (2 Nos.)*	King George's Medical University, Lucknow – 226003	December 2022	3.46	-	-	-
3	Renovation of ICDS centre no.25 at Sandeshkhali Block 1, Sundarbans	743412	September 2022 to March 2023	1.45	CSR00005584	Sandeshkhali Maa Saroda Society for Women and Children	Village – Chhotojirakepur. PO-Basirhat (RS), Dist.- North- 24 Parganas - 743412, West Bengal
4	Renovation of blind school alongwith other safety and maintenance equipment donation and Scholarship for visually disabled meritorious student for a year	700034	November 2022 to February 2023	2.20	CSR00022262	Calcutta Blind School	643, D.H Road, PO+PS Behala, Kolkata - 700034

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (Rs. In Million)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR registration No., if available	Name	Registered Address
5	School repair and other donations - Construction of RO Water room, Library room, Donation of Viewsonic Interactive Panel (inbuilt educational program for all classes in Kannada curriculum), donation of stationary, cupboards, tables, chairs for class rooms and administrative office, Renovation of class room and office room rooftop	562111	November 2022 to February 2023	0.98	NA	Government Higher Primary School	Govindpura, Nelamangala Taluk, Bengaluru, Karnataka - 562111
6	Donation of recycled 10 desktops to set up digital lab at Anweshan children's home, Renovation of infrastructure and donation of furnitures and other accessories	769016	December 2022 to March 2023	0.28	NA	Anwesan	Balijhudi, PO Sonaparbat, Rourkela, Odisha - 769016
7	Donation of 15 Laptops & 9 Samsung Tabs to Snehwan Foundation along with allocation & maintenance of Laptops, Purchase of Samsung Tabs, Purchase of Laptop Bags	410501	September 2022 to December 2022	0.28	CSR00013552	Snehwan Foundation	Koyali Tarf Chakan, Pune, Maharashtra - 410501
8	Support the operations of the computer training centre at Hinjalganj West Bengal set up in 2021 with the recycled laptops and desktops	743412	April 2022 to March 2023	0.83	CSR00005584	Sandeshkhali Maa Saroda Society for Women and Children	Village - Chhotojirakepur. PO-Basirhat(RS), Dist.- North- 24 Parganas, Pin- 743412, West Bengal

*The Company is in the process of transfering the Capital Asset in the name of respective beneficiaries.

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135

The CSR programs undertaken by the Company have a periodicity of 2-3 years for better monitoring of the programs and fund utilization which is in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The total CSR amount has been split into tranches spread across the projects, hence the remaining expenses will be spent during FY 2023-24.

On behalf of the Board

A Banerjee
Managing Director
DIN: 08456907

S Sarin
Chairperson, CSR Committee
DIN: 06604529

Kolkata
23 May 2023

Annexure to Directors' Report.

[Annexure - 6]

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

A. Conservation of Energy

(i) Steps taken or impact on conservation of energy:

a) The Company continued to optimize plant operations with a view to improve specific power in various plants on an ongoing basis. Following are some of the actions:-

- Plant had been fine-tuned to run at higher HP column purity and temperature, thereby bringing down waste nitrogen purity by 0.4% and power reduction by about 280kw at Jamshedpur 2550 plant.
- During the period under review MAC-2 and 2nd intercooler were replaced at Rourkela plant with BOO model. The new cooler is giving lesser pressure drop and a power saving of 180kw at the plant.
- Due to increased LOX demand, JSL 421 tpd plant was operated at 78 TPD (net LOX), which is the highest since commissioning of the plant and can be used as per demand.

b) Productivity initiatives were taken up at various sites to reduce energy consumption such as :-

- Electric heater was discontinued, and a steam heater was taken on line at IGD500 plant which resulted in a saving of 350kw.
- Chiller was installed at the RSP-BOO plant and BAC ASV tightness class changed from T4 to T5 resulting in a power saving of 200kw.
- During the year under review, turbine cartridge of ASU-2 at RSP-BOO plant was replaced leading to 7KNm3/hr of more flow through BAC, thus reducing the unit's Power. Impact to 100kw.
- Due to higher LIN demand at the plant situated in North India, specific power was getting impacted. In order to reduce that impact, a chiller was installed which gave a benefit of 200kw.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

The Company has started sourcing of renewable energy through long term contract for 15 years for Taloja plant for nearly 50MU/year. The Company has signed long term agreements for renewable sourcing for its new upcoming units at Dahej, Sricity and Ludhiana for majority of its consumption. The same has also been done for its running unit in Selaqui starting from Q4 2023-24. Company is also installing rooftop solar in few of its sites where feasible.

It has plans to tie up renewable sources of energy on long term basis at its Rourkela plant sites also while exploring other sites.

(iii) Capital investment on energy conservation equipment:

a) Investment of approx. Rs. 50 million has been planned for replacement of coolers, Vam chillers, electric chillers and turbine nozzle upgrade in the ASUs in 2023-24 once technical feasibility is established.

b) Ongoing process of purchasing renewable energy to comply with renewable energy obligation.

B. Technology Absorption

(i) Efforts made towards technology absorption:

The plant operations have done upgradation of its control system to meet the cyber security requirements except for Dahej plant which is under progress.

The Company is also adding a nitrous oxide purification unit to its existing nitrous oxide production plant in Hyderabad for use in electronic and other segments which needs this highly purified gas. This is new technology for the Company.

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

The benefits from the earlier technology absorption tools are continuing in its operating plants.

The N_2O purification plant will help in adding a new product to our existing customer and hence, is a new business area.

(iii) Information regarding imported technology (last three years):

Not Applicable

(iv) Expenditure on Research and Development:

(a)	Capital	Nil
(b)	Recurring	Nil
	Total	Nil

C. Foreign Exchange Earnings and Outgo

Total Foreign exchange used and earned:

Total Foreign exchange used during the year was Rs. 3,529.49 million and total foreign exchange earned during the year was Rs. 446.50 million.

On Behalf of the Board

M J Devine	**A Banerjee**
Chairman	Managing Director
DIN: 10042702	DIN: 08456907

Kolkata
23 May 2023

Annexure to Directors' Report.

[Annexure - 7]

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE PERIOD ENDED 31 MARCH 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Linde India Limited
CIN: L40200WB1935PLC008184
Oxygen House, P43 Taratala Road
Kolkata – 700 088

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Linde India Limited** (hereinafter referred to as 'the Company'). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/ statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of the Secretarial Audit and considering the various relaxations granted by the Securities and Exchange Board of India, the Ministry of Corporate Affairs and other government authorities due to COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the 15 months ended on 31 March 2023, generally complied with the statutory provisions listed hereunder, as amended from time to time and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the 15 months period ended on 31 March 2023, according to the applicable provisions of :

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
(iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
(iv) The Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECBs);
(v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 :
    (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
    (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
    (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
    (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
    (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and
    (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Other laws specifically applicable to the Company: The Management has identified and confirmed the following laws as being specifically applicable to the Company:

    (a) The Explosive Act, 1884 and the following rules framed thereunder:
        (i) The Explosive Rules, 2008
        (ii) The Gas Cylinder Rules, 2016
        (iii) The Static & Mobile Pressure Vessels (Unfired) Rules, 2016
        (iv) The Ammonium Nitrate Rules, 2012
    (b) The Petroleum Act, 1934 and the Petroleum Rules, 2002
    (c) The Drug and Cosmetic Act, 1940 and the Drug and Cosmetic Rules, 1945
    (d) The Drug (Prices Control) Order, 2013 under the Essential Commodities Act, 1955
    (e) The Environment (Protection) Act, 1986 and the Rules framed thereunder.

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

(i) Secretarial Standards on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has generally complied with the applicable provisions of the acts, rules, regulations, standards, etc., mentioned above.

It is observed that the provisions of the FEMA and the rules and regulations made thereunder to the extent applicable for ODI and ECBs as mentioned in item no. (iv) of para 3; and the provisions of regulations mentioned in (c), (d), (e), (g) and (h) under item no. (v) of para 3 above, were not applicable to the Company during the period under review.

We further report that:

I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes that took place during the period under review in the composition of the Board of Directors were carried out in compliance with the provisions of the Act.

II. Adequate notices were given to all the Directors to schedule the Board Meetings. The agenda and detailed notes on agenda were made available to all the Directors on the Company's digital board room portal seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meetings.

III. During the period under review, all the decisions at the meetings of the Board and Committees thereof, were carried out unanimously as the Minutes of these meetings did not reveal any dissenting view by any of the members of the Board or Committees thereof.

We further report that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations, standards, etc.

We further report that during the period under review, the Board of Directors of the Company has approved the change in the financial year of the Company from January-December to April-March, subject to approval of the Hon'ble Regional Director, Eastern Region, Ministry of Corporate Affairs, which has been obtained vide Order dated 29 March 2023 and consequently, the financial year under review consists of a period of 15 months from 1 January 2022 to 31 March 2023. Apart from change in financial year, no other specific event having any major bearing on the Company's affairs in pursuance of the above referred Acts, Rules, Regulations, Standards, Order etc. has taken place during the period under review.

For P. SARAWAGI & ASSOCIATES
Company Secretaries
(P. K. Sarawagi)
Proprietor
Membership No. : FCS-3381
Certificate of Practice No. : 4882
Peer Review Certificate No. 1128/2021
ICSI UDIN : F003381E000354591

Place : Kolkata
Date : 23 May 2023

This Report is to be read with our letter of even date which is annexed to this Report as Annexure - A and forms integral part of this Report.

Annexure to Directors' Report.

Annexure - A

To,
The Members
Linde India Limited
CIN: L40200WB1935PLC008184
Oxygen House, P43 Taratala Road
Kolkata – 700 088

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

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of the Financial Records and the Books of Accounts of the Company.

4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Standards and happening of events etc.

5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For P. SARAWAGI & ASSOCIATES
Company Secretaries
(P. K. Sarawagi)
Proprietor
Membership No. : FCS-3381
Certificate of Practice No. : 4882
Peer Review Certificate No. 1128/2021
ICSI UDIN : F003381E000354591

Place : Kolkata
Date : 23 May 2023

Business Responsibilty and Sustainability Report

Our Purpose

Linde India Limited is a member of Linde plc group which is a leading global industrial gases and engineering group. We live our mission of making our world more productive every day by providing high-quality solutions, technologies and services which are making our customers more successful and helping to sustain and protect our planet.

Linde India Limited is a leading industrial gases Company in India.

Our Vision

We are committed to fulfilling our vision to be the best performing global industrial gases and engineering company, where our people deliver innovative and sustainable solutions for our customers in a connected world.

Our Mission

We live our mission of making our world more productive every day. Through our high-technology solutions, technologies and services we are making our customers more successful and helping to sustain and protect our planet.

Our Values

Safety	Integrity	Community	Inclusion	Accountability

Sustainable Development

Globally, we have set our Sustainable Development Targets in phases – phase 1 is 2018 to 2028, phase 2 is 2029 to 2035 and phase 3 is beyond 2035.

Targets of Linde India Limited for 2018-2028

35% reduction in GHG emissions intensity
15% female representation
Best-in-class operational safety levels
50% increase in philanthropy towards environment
More than 2x low carbon electricity sourcing

Increasing Renewable Energy Utilization

Linde's energy management team in India signed several long- term power contracts to source renewable energy by setting up photovoltaic systems and wind turbines at several sites. These contracts help Linde source at a rate that is less expensive than if obtained from the grid. All projects are planned to be fully commissioned by 2024. This will result in more than triple renewable energy as compared to 2021 and reduce Scope 2 GHG emissions by 20 percent.

Lowering Fleet Emissions

In India we have successfully implemented lesser run of fleet of trucks through optimisation of storage tanks and increase payload efficiency, better planning of distribution schedule to customers, use of telemetry. CNG trucks have been included in the fleet and the Company is exploring options in LNG segment as well.

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1	Corporate Identity Number (CIN) of the Listed Entity	L40200WB1935PLC008184
2	Name of the Listed Entity	Linde India Limited
3	Year of Incorporation	1935
4	Registered office address	Oxygen House, P-43 Taratala Road, Kolkata – 700088
5	Corporate address	Oxygen House, P-43 Taratala Road, Kolkata – 700088
6	E-mail	contact.lg.in@linde.com
7	Telephone	+91 33 6602 1600
8	Website	www.linde.in
9	Financial Year for which reporting is being done	1 January 2022 – 31 March 2023
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited National Stock Exchange of India Ltd.
11	Paid-up Capital	Rs. 852,842,230/-
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr Amit Dhanuka Contact details: Telephone +91 33 2401 5172 E-mail address: amit.dhanuka@linde.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone

II. PRODUCTS/SERVICES

14 Details of business activities *(accounting for 90% of the turnover):*

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Manufacturing of liquefied or compressed inorganic industrial or medical gases	70.62%
2	Construction	Construction of utility projects	29.38%

15 Products/Services sold by the entity *(accounting for 90% of the entity's Turnover):*

Sl. No.	Product/Service	NIC Code	% of Total Turnover contributed
1	Liquefied or compressed inorganic industrial or medical gases	20111	70.62%
2	Project Engineering	42209	29.38%

III. OPERATIONS

16 Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	18	4	22
International	NIL	NIL	NIL

17 Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	PAN India level
International (No. of Countries)	5

b. What is the contribution of exports as a percentage of the total turnover of the entity?
Revenue from Export – Rs. 588.51 million (15 months period ended 31 March 2023)
% of total turnover of the Company – 1.88%

c. A brief on types of customers
Our industrial and specialty gas portfolio typically caters to applications in industries like steel, automotive, pharma, metal fabrication, chemicals, food & beverage, solar panels, science and research etc. The healthcare segment focuses on gases delivery to hospitals and healthcare establishments. The Project Engineering Division provides customized engineering solutions across various industries – from natural gas and oil refining through petrochemicals and fertilizers to electronics and metal processing.

IV. EMPLOYEES

18 Details as at the end of 15 months period ended 31 March 2023:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1	Permanent (D)	207	188	90.8	19	9.2
2	Other than Permanent (E)	138	132	95.7	6	4.3
3	Total employees (D + E)	345	320	92.7	25	7.3
Workers						
4	Permanent (F)	39	38	97.4	1	2.6
5	Other than Permanent (G)	613	612	99.8	1	0.2
6	Total workers (F + G)	652	650	99.6	2	0.4

b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently abled Employees						
1	Permanent (D)	NIL	NIL	NIL	NIL	NIL
2	Other than Permanent (E)	NIL	NIL	NIL	NIL	NIL
3	Total employees (D + E)	NIL	NIL	NIL	NIL	NIL
Differently abled Workers						
4	Permanent (F)	NIL	NIL	NIL	NIL	NIL
5	Other than Permanent (G)	NIL	NIL	NIL	NIL	NIL
6	Total workers (F + G)	NIL	NIL	NIL	NIL	NIL

19 Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	2	33.33%
Key Management Personnel	3	NIL	NIL

20 Turnover rate for permanent employees and workers *(Disclose trends for the past 3 years):*

	15 months period ended 31.03.2023 (Turnover rate in current FY) in %			FY-2021 (Turnover rate in previous FY) in %			FY-2020 (Turnover rate in the year prior to the previous FY) in %		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	16.9	11.1	16.1	13.7	12.1	13.6	8.4	20.3	9.4
Permanent Workers	19.2	NIL	19.2	4.25	NIL	4.25	6.2	NIL	6.2

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

21 (a) Names of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of the holding/subsidiary/ associate companies/joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity
1	The BOC Group Ltd., U.K.	Holding	NIL
2	Bellary Oxygen Company Pvt. Ltd.	Joint Venture	50%
3	Linde South Asia Services Pvt. Ltd.	Joint Venture	50%
4	Avaada MHYavat Pvt. Ltd.	Associate	26%
5	FPEL Surya Pvt. Ltd.	Associate	26%

(b) Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
The Holding Company does participate in the Business Responsibility initiatives.

VI. CSR DETAILS

22

(i) Whether CSR is applicable as per Section 135 of Companies Act, 2013	Yes
(ii) Turnover (Rs.)	31,355.20 million
(iii) Net worth (Rs.)	31,139.48 million

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

23 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) *(If Yes, then provide web-link for grievance redress policy)*	15 months period ended 31 March 2023 (Current Financial Year)			FY - 2021 (Previous Financial Year)		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	There are feedbacks which are considered for resolution on a time bound basis	NIL	NIL	-	NIL	NIL	-
Investors (other than shareholders)	Not Applicable						
Shareholders	Yes investor.relations.in@linde.com	41	NIL	-	10	4	Pending 4 complaints were resolved within the next quarter.
Employees and workers	Each departmental heads act as the first level of Grievance Redressal bench and attempts fair and transparent resolution. If not resolved the grievance is escalated.	NIL	NIL	-	NIL	NIL	-
Customers	Yes, please refer to answer to Essential Indicator Q1 of Principle 9	536	1	Pending redressal due to long standing unavailability of spare parts.	470	0	-
Value Chain Partners	No			No Mechanism			
Other (please specify)	Not Applicable						

24 Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Decarbonization Investment and Innovation	Opportunity	Low carbon power sourcing and efforts to reduce GHG intensity will impact the cost positively.	-	Positive
2.	Occupational and Distribution safety	Opportunity	Aiming to achieve operational safety better than industry levels and also achieving Annual vehicle Incident Rate of < 2.5 /million KM ensures greater productivity and better distribution, resulting in to increased corporate profit.	-	Positive
3.	Diversity and Inclusion	Opportunity	Company's target of 15% women representation by 2028, shall attract better talent and consequently superior work and performance. This translates into better corporate bottom line.	-	Positive
4.	Climate Change	Risk	The potential impact of this is both short term and long term. The climate risk assessment done by Linde Group identifies physical as well as transient risks to our business.	Building resilience	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure		P	P	P	P	P	P	P	P	P
Questions		1	2	3	4	5	6	7	8	9
Policy and management processes										
1 a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
b.	Has the policy been approved by the Board? (Yes/No)	The Company has adopted the policies of Linde plc Group in its system. However, these have not been formally approved by the Company's Board.								
c.	Web Link of the Policies, if available	Code of Business Integrity: https://www.linde.com/-/media/linde/merger/documents/corporate-governance/code-of-business-integrity.pdf?la=en Global Management System to Foster Product Stewardship: https://www.linde.com/about-linde/safety-and-environment/product-stewardship/managing-product-stewardship Global Diversity & Inclusion Guidelines: https://www.linde.com/-/media/linde/merger/documents/diversity-and-inclusion/linde_global_di_policy.pdf?la=en Linde Supplier Code of Conduct: https://www.linde.com/-/media/linde/merger/documents/global-procurement/linde_global_supplier_code_of_conduct.pdf?la=en Human Rights: https://www.linde.com/sustainable-development/policies-and-position-statements/human-rights-policy Health Safety Environment Policy: https://www.linde.com/about-linde/safety-and-environment/safety-health-environment-policies/health-safety-environment-hse-policy Water Position Statement: https://www.linde.com/sustainable-development/policies-and-position-statements/water-position-statement								

		GHG Emissions Policy: https://www.linde.com/sustainable-development/policies-and-position-statements/ghg-emissions-recalculation-policy Corporate Social Responsibility Policy: https://www.linde-gas.in/en/images/Linde%20India%20CSR%20Policy_24022022_tcm526-676236.pdf Global Giving: https://www.linde.com/about-linde/community/global-giving Consumer feedbacks: https://www.linde-gas.in/en/industrial_gases/products_and_supply/index.html https://www.linde-gas.in/en/healthcare/healthcare/index.html https://www.linde-gas.in/en/contact.html								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 10002:2018, ISO 10004:2018 and ISO/IEC 17025:2017								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Governance, leadership and oversight										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements *(listed entity has flexibility regarding the placement of this disclosure)*									
	The Company endeavours to continuously strive towards sustainability accompanied with growth and believes that its success would be determined to a great extent by its proactive response to environmental, social and governance targets. Towards this end the Company has taken and will continue to take measures, focussing on business conduct and positive response to sustainability issues pertaining to environmental and social matters.									
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).									
	1. Name: Mr. Abhijit Banerjee 2. DIN: 08456907 3. Designation: Managing Director (MD)									
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.									
	No									
10	Details of Review of NGRBCs by the Company:									
	Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee								
		P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8	9
	Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)	Half yearly	Half yearly	Half yearly	Half yearly	Half yearly	Half yearly	Half yearly	Half yearly	Half yearly
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	No	No	No	No	No	No	No	No	No

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the 15 months period ended 31 March 2023:

Segment	Total no. of training and awareness programmes held	Topics / Principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	Code of Conduct, Plant Visit	100%
Key Managerial Personnel	7	POSH Awareness, Competition Law Compliance, Code of Business Integrity, Anti-Corruption Compliance Policy, Compliance in M&A Transactions, Corruption Prevention, Plant Visit	100%
Employees other than BoD & KMPs	6	POSH Awareness, Competition Law Compliance, Code of Business Integrity, Anti-Corruption Compliance Policy, Compliance in M&A Transactions, Corruption Prevention	100%
Workers	7	POSH Awareness, Code of Business Integrity, SHEQ Training	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, during 15 months period ended 31 March 2023, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity’s website):

Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes

https://www.linde.com/-/media/linde/merger/documents/compliance-policies/anti-bribery-anti-corruption-compliance-policy.pdf?la=en

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Nil

6. Details of complaints with regard to conflict of interest:

Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	15 months period ended 31 March 2023 (Current Financial Year)	FY - 2021 (Previous Financial Year)	Details of improvement in environmental and social impacts
R&D	NIL	NIL	All R&D expenses are incurred directly by Linde plc globally.
Capex	0.01%	0.04%	Installation of STP at Taloja and Dahej to reduce 2KLD and 3KLD water demand respectively in the water stress zones

2.A. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. We at Linde, while onboarding any vendor we check the background information of the suppliers like its financial strength, annual report, capability of supplying goods and services in the long term etc. At the same time, we also get Linde Code of Conduct signed (which covers Human Rights, Health, Safety, Environment, Integrity and legal Compliance).

B. If yes, what percentage of inputs were sourced sustainably?

100%

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Our products are mainly atmospheric gases supplied through cylinder or tankers. It does not generate any waste at customer end. For medical cylinders, customers are advised to use the same by the shelf-life date mentioned in cylinder, post which the residual gas is safely vented into air.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

EPR is not applicable.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. A. Details of measures for the well-being of employees:

% of employees covered by

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		(B)	%(B/A)	(C)	%(C/A)	(D)	%(D/A)	(E)	%(E/A)	(F)	%(F/A)
Permanent Employees											
Male	188	188	100	188	100	NA	NIL	188	100	NA	NIL
Female	19	19	100	19	100	19	100	NA	NA	19	100
Total	207	207	100	207	100	19	100	188	100	19	100
Other than Permanent Employees											
Male	132	132	100	132	100	NA	NIL	NA	NIL	NA	NIL
Female	6	6	100	6	100	6	100	NA	NIL	NA	NIL
Total	138	138	100	138	100	6	100	NA	NIL	NA	NIL

B. Details of measures for the well-being of workers:

% of workers covered by

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		(B)	%(B/A)	(C)	%(C/A)	(D)	%(D/A)	(E)	%(E/A)	(F)	%(F/A)
Permanent Workers											
Male	38	38	100	38	100	NA	NIL	NA	NIL	NA	NIL
Female	1	1	100	1	100	1	100	NA	NIL	NA	NIL
Total	39	39	100	39	100	1	100	NA	NIL	NA	NIL
Other than Permanent Workers											
Male	612	612	100	612	100	NA	NIL	NA	NIL	NA	NIL
Female	1	1	100	1	100	1	100	NA	NIL	NA	NIL
Total	613	613	100	613	100	1	100	NA	NIL	NA	NIL

2. Details of retirement benefits, for Current FY and Previous Financial Year:

Benefits	15 months period ended on 31 March 2023 (Current Financial year)			FY-2021 (Previous Financial year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	N.A	100	100	N.A
ESI	NIL	NIL	N.A	NIL	NIL	N.A
Others-Please specify Superannuation	-	82%	-	-	85%	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:

Such facilities are being planned for implementation.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Linde Plc Group has an Equal Opportunity Policy which is adopted by Linde India Limited. (https://www.linde.com)

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes. The process of redressal of Human Rights issues are as follows: • The departmental head is the first level of grievance resolution structure. The said departmental attempts to resolve the issue, fairly and transparently in a time bound manner. • If not solved, the same is escalated to a committee which includes HR head, the said Departmental head and a senior resource from an independent department • Only in very serious issues it is escalated above the earlier level. In matters of sexual harassment, the rules of Sexual harassment policy is attracted.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	15 months period ended on 31 March 2023 (Current Financial year)			FY-2021 (Previous Financial year)		
	Total employees/ workers in respective category (A)	No. of employees/ Workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ Workers in respective category, who are part of association(s) or Union (D)	% (C / D)
Total Permanent Employees						
Male	188	NIL	NIL	178	NIL	NIL
Female	19	NIL	NIL	17	NIL	NIL
Total Permanent Workers						
Male	38	31	81.5	46	39	84.7
Female	1	1	100	1	1	100

8. Details of training given to employees and workers:

Category	15 months period ended on 31 March 2023 (Current Financial year)					FY-2021 (Previous Financial year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	188	188	100%	-	-	178	-	-	-	-
Female	19	19	100%	-	-	17	-	-	-	-
Total	207	207	100%	-	-	195	-	-	-	-
Workers										
Male	38	38	100%	38	100%	46	-	-	-	-
Female	1	1	100%	1	100%	1	-	-	-	-
Total	39	39	100%	39	100%	47	-	-	-	-

9. Details of performance and career development reviews of employees and worker:

Category	15 months period ended 31 March 2023 (Current Financial year)			FY-2021 (Previous Financial year)		
	Total (A)	No. (B)	%(B/A)	Total (C)	No. (D)	%(D/C)
Employees						
Male	188	188	100	178	178	100
Female	19	19	100	17	17	100
Total	207	207	100	195	195	100
Workers						
Male	38	NIL	NIL	46	NIL	NIL
Female	1	NIL	NIL	1	NIL	NIL
Total	39	NIL	NIL	47	NIL	NIL

10. Health and safety management system:

A. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. Linde India Limited's all sites for gases as well as projects are certified to ISO 45001: 2018. We follow the Occupational Health and Safety Management as per this standard. The coverage details are as follows:

- Construction, pre-commissioning & Commissioning activities (100%).
- For all manufacturing sites of gases divisions (100%), For customer installation we follow the customer's occupational health and safety management system. Linde minimum & mandatory requirements are followed (100%).

B. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

HIRA – Hazard Identification and Risk Assessment.

Hazard identification and risk assessment (HIRA) study offers a systematic approach to assess hazards and their associated risks. HIRA Safety helps to determine the objective of an identified hazard and provide the technique to manage the risk.

JSA – Job Safety Analysis

Job Safety Analysis (JSA) is a systematic procedure that breaks each job/task into key training sequences, identifies safety elements of each job/task step, and coaches the employee on how to avoid potential safety hazards.

Permit to Work

Permit-to-work refers to management systems to ensure that work is done safely and efficiently. These are used in hazardous industries and involve procedures to request, review, authorise, document and most importantly, de-conflict tasks to be carried out by front line people.

C. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

There is a process for two way communications for reporting all work related hazards & risk through system and also while various engagements like safety meeting/communications.

D. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

Yes, covered under ESI & Group/medical Insurance (Non-Occupational).

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	15 months period ended 31 March 2023 (Current Financial year)	FY-2021 (Previous Financial year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.00	0.00
	Workers	0.15 (2 - LTI)	0.12 (1-LTI)
Total recordable work-related injuries	Employees	1	0
	Workers	3	2
No. of fatalities	Employees	0	0
	Workers	0	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

- HSE Policy & HSE Principles
- Training & competency program
- HIRA
- HSE Audit & Assessment
- Permit to work
- Job Safety Observations
- Incident Reporting, Investigation & CAPA Management

13. Number of Complaints on the following made by employees and workers:

We have a reporting system for everyone for the workplace unsafe condition & At-risk behavior for people health & safety.

	15 months period ended 31 March 2023 (Current Financial year)			FY-2021 (Previous Financial year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NA	NIL	NIL	NA
Health & Safety	NIL	NIL	NA	NIL	NIL	NA

14. Assessments for the year:

Linde have a process to conduct Internal & external assessment using internal & external resources on Occupational Health & Safety. Internal assessment conducted based on the internal plan and external assessment as per the schedule of the external certification body. Third Party Audit on ISO 45001: 2018 for Gases Division was conducted as per schedule, Last done between Aug to Nov 2022. Third Party Audit on ISO 45001: 2018 for PED was conducted as per schedule, last done in December 2022. In both cases we were successfully re-certified.

100% for Gases division sites &100% for PED construction sites	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health & Safety Practices	As per ISO 45001: 2018
Working Conditions	As per ISO 45001: 2018

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

In Linde we have online application to capture all the corrective actions arising from incident or assessments and having a process of monitoring. There was no significant risk/concern highlighted during assessments, both internal and external.

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The internal and external groups/bodies whose activities, participation and aspirations are deemed integral to the business of Linde India Limited and have significant impact on the operations, are regarded as Key stakeholder groups and have been identified accordingly.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication	Frequency of Engagement	Purpose & scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual General Meeting / Stock Exchange Disclosures/ Quarterly, Half yearly and Annual Results / Complaints and Resolutions	AGM: Annual Financial Results: Quarterly Others: Ongoing	Financial Performance and Business Updates
Employees	No	Townhall / Communication e-mails from Senior leadership team/ training goal setting and performance appraisal meetings/review, exit interviews / union meetings/ webinar/ email	Ongoing	Performance analysis and career path setting, innovation, operational efficiencies, improvement areas, long-term strategy plans, training and awareness, responsible marketing, brand communication, health, safety and engagement initiative
Customers	No	Website / visits/ customer plant visits/ complaints management system/ customer care helpdesk/ customer surveys/ e-mails, letters and verbal communication	Ongoing	Product quality and availability, complaints handling, responsiveness to needs, increase of sales targets, feedbacks, payment collection
Suppliers / Partners	No	E-mail/ Workshops/ Visits/ Telecom/ Office Visit/ Plant Visit/ In-person Meeting/ contract management / review, product workshops / on site presentations	Ongoing	Quality, timely delivery, audit of transporter & contractors and payments
Communities	Yes	Visits and Projects/ partnership with local charities/ volunteerism/ seminars	Ongoing	Livelihood support, imparting of vocational training, planting of trees, disaster relief

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	15 months period ended on 31 March 2023 (Current Financial year)			FY-2021 (Previous Financial year)		
	Total (A)	No. of employees/ Workers Covered (B)	% (B / A)	Total (C)	No. of employees/ Workers Covered (D)	% (C / D)
Employees						
Permanent	207	207	100	195	195	100
Other than Permanent	138	138	100	117	117	100
Total Employees	345			312		
Workers						
Permanent	39	37	94.8	47	45	95.7
Other than Permanent	613	-	-	588	-	-
Total Workers	652			635		

2. Details of minimum wages paid to employees and workers, in the following format:

Category	15 months period ended on 31 March 2023 (Current Financial year)					FY-2021 (Previous Financial year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	188	NIL	NA	188	100	178	NIL	NA	178	100
Female	19	NIL	NA	19	100	17	NIL	NA	17	100
Other than Permanent										
Male	132	NIL	NA	132	100	115	NIL	NA	115	100
Female	6	NIL	NA	6	100	2	NIL	NA	2	100
Workers										
Permanent										
Male	38	NIL	NA	38	100	46	NIL	NA	46	100
Female	1	NIL	NA	1	100	1	NIL	NA	1	100
Other than Permanent										
Male	612	NIL	NA	612	100	588	NIL	NA	588	100
Female	1	NIL	NA	1	100	-	NIL	NA	NIL	NA

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary / wages of respective category (Rs.)	Number	Median remuneration/ salary/ wages of respective category (Rs.)
Board of Directors (BoD)	3	4,065,000	1	3,095,000
Key Managerial Personnel	3	6,741,496	0	Not Applicable
Employees other than BoD and KMP	192	1,445,059	21	1,486,414
Workers	38	1,257,560	1	1,259,675

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

No. However, the HR Department oversees these matters.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The process of redressal of Human Rights issues are as follows :

- The Departmental head is the first level of grievance resolution structure. The said Departmental head attempts to resolve the issue, fairly and transparently in a time bound manner.
- If not solved, the same is escalated to a committee which includes HR head, the said Departmental head and a senior resource from an independent department.
- Only in very serious issues it is escalated above the earlier level.
- In matters of sexual harassment, the rules of POSH policy are attracted.

6. Number of Complaints on the following made by employees and workers:

	15 months period ended 31 March 2023 (Current Financial year)			FY-2021 (Previous Financial year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NA	NIL	NIL	NA
Discrimination at workplace	NIL	NIL	NA	NIL	NIL	NA
Child Labour	NIL	NIL	NA	NIL	NIL	NA
Forced Labour / Involuntary Labour	NIL	NIL	NA	NIL	NIL	NA
Wages	NIL	NIL	NA	NIL	NIL	NA
Other Human Rights related issues	NIL	NIL	NA	NIL	NIL	NA

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company remains vigilant with a functional Grievance Redressal Mechanism.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Compliance with applicable law forms part of our business agreements and contracts.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

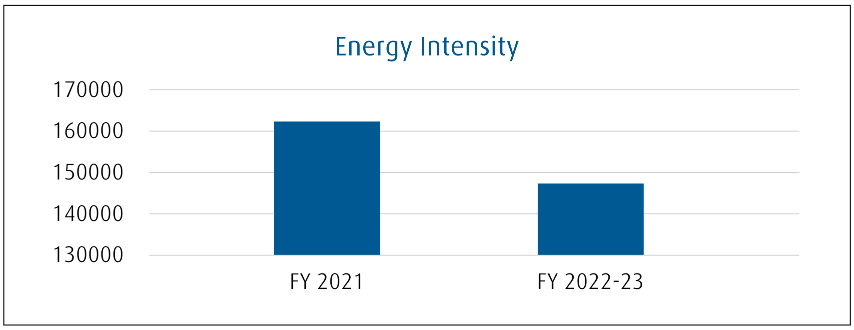
PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format: (Unit in Tera Joules)

Parameters	15 months period ended 31 March 2023 (Current Financial year)	FY-2021 (Previous Financial year)
Total electricity consumption (A)	4586	3424
Total fuel consumption (B)	31	-
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	4617	3425
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	147241	162148
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

In line with our global energy intensity reduction target we continue to implement energy intensity reduction initiatives. In the current year, we have achieved a 9% reduction with respect to previous year.



2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

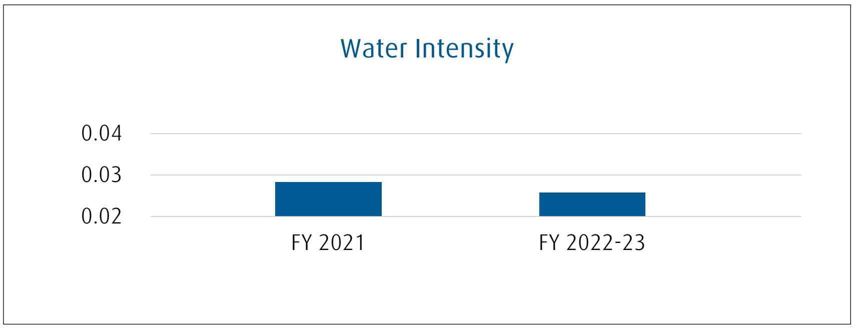
None of the facilities and sites identified as designated consumer and PAT regulations do not apply. Linde has its internal target setting process around reduction in specific power consumption of plants - performance being monitored on monthly basis.

3. Provide details of the following disclosures related to water, in the following format:

Parameters	15 months period ended 31 March 2023 (Current Financial year)	FY-2021 (Previous Financial year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	3839721	2935142
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3839721	2935142
Total volume of water consumption (in kilolitres)	3839721	2935142
Water intensity per rupee of turnover (Water consumed / turnover)	0.122	0.139
Water intensity (optional) - the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

As a responsible organization we continue to implement water intensity reduction initiatives and achieved a 12% reduction with respect to previous year.



4. Has the entity implemented a mechanism for Zero Liquid Discharge (ZLD)? If yes, provide details of its coverage and implementation.

None of the sites have waste water flowing out to civic drains

- ZLD in place at sites of Dahej and ITC Bhadrachalam
- Other captive sites in customer premises have waste water flowing to the WWTP of onsite customers (Jamshedpur, Rourkela, Kalinganagar)
- Merchant ASU sites at Taloja and Selaqui have WWTP plants recycling the waste water which then gets used in cooling tower, gardening, WC purposes

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameters	Please specify unit	15 months period ended 31 March 2023 (Current Financial year)	FY-2021 (Previous Financial year)
NOx	Metric tonnes	0.00643	0.11412
Sox	Metric tonnes	0.01689	0.05338
Particulate matter (PM)		NA	NA
Persistent organic pollutants (POP)		NA	NA
Volatile organic compounds (VOC)		NA	NA
Hazardous air pollutants (HAP)		NA	NA
Others – please Specify		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The data is regularly assessed by SPCB approved laboratories.

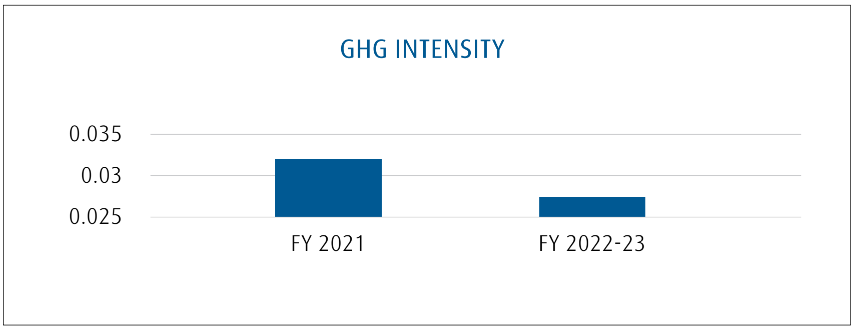
6. Provide details of Green House Gas Emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameters	Unit	15 months period ended 31 March 2023 (Current Financial year)	FY-2021 (Previous Financial year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	16489	12646
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	875159	690580
Total Scope 1 and Scope 2 emissions per rupee of turnover	-	0.028	0.033
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no external verification of the GHG data. However, we have a robust GHG data monitoring procedure as we have to report the data globally real time.

In line with our global decarbonization target, we have implemented several GHG reduction initiatives and continue to do so. We have achieved 15% reduction in scope 1 and 2 GHG intensity in the current year with respect to previous year.



7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Several projects ongoing related to reduction of GHG emissions, some of which are listed below:

Scope 1:

- Lesser run of fleet of trucks through optimisation of storage tanks and increase payload efficiency; better planning of distribution schedule to customers, use of telemetry
- Efficiency projects to reduce N_2O and CO_2 losses

Scope 2:

- Active RE sourcing through setup of captive RE plants and installation of rooftop/ground-mounted solar panels in Linde premises
- Projects to improve spec power or reducing of power consumption against unit production through elimination of process losses

8. Provide details related to waste management by the entity, in the following format:

Parameters	15 months period ended 31 March 2023 (Current Financial year)	FY-2021 (Previous Financial year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	NIL	NIL
E-waste (B)	NIL	NIL
Bio-medical waste (C)	NIL	NIL
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	NIL	NIL
Radioactive waste (F)	NIL	NIL
Other Hazardous waste. Please specify, if any. (G)	16	28
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	116	106
Total (A+B + C + D + E + F + G+ H)	132	134
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	49	50
(ii) Re-used	2	78
(iii) Other recovery operations	62	4
Total	113	132
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	1	2
(iii) Other disposal operations	18	-
Total	19	2

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

All Linde India Limited sites are in compliance to State and Central Pollution control norms in terms of Emissions. All sites have valid Consent to operate and meet all conditions as per the state wise requirements.

- The respective ASUs operate with close loop cooling water treatment systems with blowdown discharge meets the consent to operate, waste water discharge quantity and all waste water parameters. Periodic Measurement of the water quality is done to comply with this.
- No air pollution is caused other than by Diesel Generator in some of the plants and they are covered under pollution norms and periodic monitoring is done to ensure compliance.
- All sites segregate and store hazardous and non-hazardous wastes separately and dispose them off through pollution control approved recyclers. Each location identifies the Aspects and Impact and periodically reviews the significant aspects through ISO:14001 Management System.
- Our Cylinder filling plants also take initiatives to replace Diesel operated Forklifts with Electrical Forklifts and use of water based paints for cylinder painting in place of solvent based paints.
- Some of the locations achieved zero waste to landfill program and we are in a process to cover all sites under Zero Waste Program by 2028.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sl. No.	Location of operations / offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
A.	Selaqui, Uttarakhand	ASU	Yes, applicable environmental approval taken

11. Details of Environmental Impact Assessments (EIA) of projects undertaken by the entity based on applicable laws, during the 15 months period ended 31 March 2023:

EIA is not required to be done at our sites as per statute.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

All our sites are fully compliant with all applicable environmental law / regulations / guidelines.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. A. Number of affiliations with trade and industry chambers/ associations: 5

B. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indo-German Chamber of Commerce	National
2	Gas Industries Association	National
3	Confederation of Indian Industry, Eastern Region Membership	National
4	All India Industrial Gases Manufacturers' Association	National
5	The Bengal Chamber of Commerce & Industry	State

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities:

Not Applicable.

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, during the 15 months period ended 31 March 2023:

Not Applicable during the period under review.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community:

Linde India Limited receives feedbacks from beneficiaries of CSR program and resolves them expeditiously and transparently.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	15 months period ended 31 March 2023 (Current Financial year)	FY-2021 (Previous Financial year)
Directly sourced from MSMEs/ small producers	26%	2.5%
Sourced directly from within the district and neighbouring districts	NIL	NIL

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

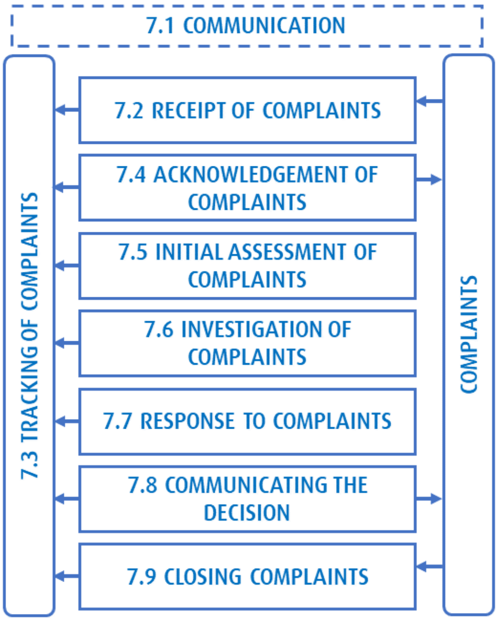
To be the best performing global industrial gases and engineering company, where our people deliver innovative and sustainable solutions for our customers in a connected world. Linde India Limited - Customer Care Centre (CCC) is actively committed in defining and implementing complaints handling processes and Linde India Limited Marketing team monitor and measure customer satisfaction.

The complaints registering process is communicated to customers through e-mail. Individual complainant is provided with adequate information about the handling of their complaint.

The complaint handling process is made easily accessible to all complainants through e-mail. Information is made available to customer in the brief of registering and resolving complaints. The complaints handling process and supporting information are made easy to understand and use. Use of clear language is ensured. Information and assistance in making a complaint are made available through CCC agent who is capable of speaking & understanding English and in certain regional languages and commutations is made available through e-mail in English. Audio recordings are kept wherever possible which is known as VOC such that no complaints are disadvantaged.

The organization ensures that the information about its complaints handling and customer satisfaction is accurate and not misleading, and that data collected are relevant, correct, complete, meaningful and useful.

Complaint Handling:



7.1 Communication
Information related to the complaints registering process is made readily available to customers, complainants and other relevant interested parties through telephonically or email – about the same information shared in Pamphlets, displays on supply vehicle, Product label & tags, where customer care number & website is shared in clear language and accessible to all, so that no complainants are disadvantaged and the communication for customer satisfaction survey is through phone or web-link or IT application, wherever applicable. In extreme cases with justification this can be done through direct interaction over phone.

7.2 Receipt of complaints
Upon reporting of the initial complaint, the complaint is recorded with supporting information and a unique identifier code (SAP generated unique code). The record of the initial complaint is maintained in VOC- RCA- Complaint tracker document, identifying the remedy sought by the complainant and any other information necessary for the effective handling of the complaint including:

- a description of the complaint and relevant supporting data;
- the products and services or related organization practices complained about;
- the due date for a response;
- data on people, department, branch, organization and market segment;
- root cause analysis;
- immediate action taken (if any);
- possible remedies.

7.3 Tracking of complaints
The complaint tracker is used to track from initial receipt through the entire process until the complainant is satisfied or the final decision is made. An up-to-date status is made available to the complainant upon request. The complainants are treated courteously and be kept informed of the progress of their complaint as & when requested by complainant.

Once the complaint is resolved, the customer is notified with the resolution.

7.4 Acknowledgement of complaints

Receipt of each complaint is acknowledged to the complainant immediately through e-mail. In case a customer does not have an email ID, the complaint number is shared with customer via phone call.

7.5 Initial assessment of complaints

After receipt, each complaint is initially assessed in terms of criteria such as severity, safety implication, complexity, impact, and the need and possibility of immediate action. Complaints are addressed promptly in accordance with their urgency. Healthcare product complaints are intrinsically associated with safety are identified and are processed immediately.

7.6 Investigation of complaints

Every reasonable effort is made to investigate all the relevant circumstances and information surrounding a complaint. The level of investigation is commensurate with the seriousness, frequency of occurrence and severity of the complaint. Root Cause Analysis (RCA) for each complaint is prepared.

7.7 Response to complaints

Following an appropriate investigation, the organization offers a response, for example, correct the problem for immediate resolution also considering that the probability of it happening in the future is reduced. If the complaint cannot be immediately resolved, then it is dealt in a manner with intent to its effective resolution as soon as possible.

7.8 Communicating the decision

The decision or any action taken regarding the complaint, which is relevant to the complainant or to the personnel involved, is communicated to complainant, as soon as the decision or action is taken through email of phone call, whichever is applicable mode of communication available.

7.9 Closing complaints

If the complainant accepts the proposed decision or action, then the decision or action is carried out and complaint is closed.

If the complainant rejects the proposed decision or action, then the complaint remains open & mutually agreeable solution is sought for the closure.

Linde India Limited's CCC monitors the progress of the complaint until all reasonable internal and external options of recourse are exhausted or the complainant is satisfied.

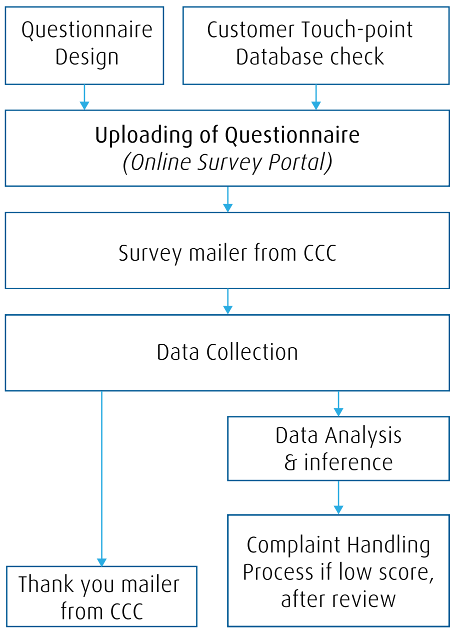
Customer Satisfaction:

Customer satisfaction level is a determination between the customer's perception, expectations and the product or service delivered by Linde India Limited. To achieve certain level of customer satisfaction, Linde India Limited is aiming first to understand the customer's expectations. These expectations might be explicit or implicit, or not fully articulated.

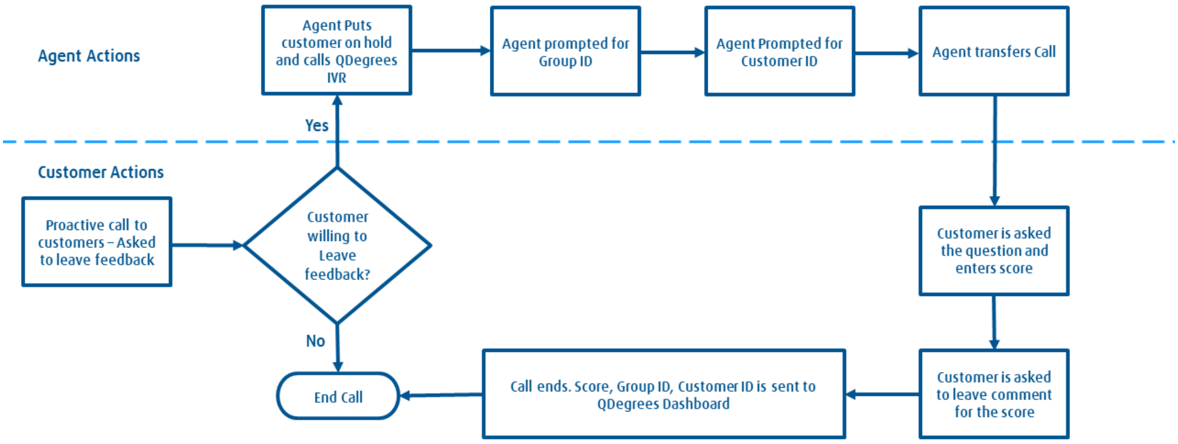
Customer expectations, as understood by the organization, form the primary basis of products and services that are subsequently planned and delivered.

The extent to which the delivered product or service and other organizational aspects are perceived by the customer to meet or exceed expectations determines the degree of customer satisfaction. Sufficient resources are made available for and committed to the processes of monitoring and measuring customer satisfaction and complaints handling such that these are managed effectively and efficiently. The organization ensures a customer focused approach with respect to handling complaints and monitor and measure customer satisfaction.

Customer Satisfaction Survey (Annual) flowchart:



Customer feedback with IVR calls:



2. Turnover of products and/ services as a percentage of turnover from all products/services that carry information about:

	As a percentage of total turnover
Environmental and social parameters relevant to the product	NIL
Safe and responsible usage	100%
Recycling and/or safe disposal	NIL

3. Number of consumer complaints in respect of the following:

	15 months period ended 31 March 2023 (Current Financial year)			FY-2021 (Previous Financial year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	NIL	NIL	NA	NIL	NIL	NA
Advertising	NIL	NIL	NA	NIL	NIL	NA
Cyber-security	NIL	NIL	NA	NIL	NIL	NA
Delivery of essential services	17	1	NA	18	NIL	NA
Restrictive Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Unfair Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Others	NIL	NIL	NA	NIL	NIL	NA

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes.

Cyber Security Cybersecurity Policy (sharepoint.com)

Data Privacy : Data Privacy (sharepoint.com)

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

Report on Corporate Governance.

In accordance with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as 'SEBI Listing Regulations'] read with the disclosure requirements relating to the Corporate Governance Report contained in Schedule V of the SEBI Listing Regulations, the details of compliance by the Company with the norms on Corporate Governance are as under:

Company's philosophy on Code of Governance

Linde India Limited believes in good corporate governance and continuously endeavours to improve focus on it by increasing transparency and accountability to its shareholders in particular and other stakeholders in general. The Company undertakes to behave responsibly towards its shareholders, business partners, employees, society and the environment. As a part of the Linde plc Group, the Company embraces its core values set out in the Linde Spirit and the Code of Business Integrity, both of which apply across the Group. The Company is committed to business integrity, high ethical values and professionalism in all its activities.

Board of Directors (Board)

Composition of the Board

Linde India's Board has an appropriate mix of Executive and Non-Executive Directors. The Non-Executive Directors including Independent Directors impart balance to the Board and bring independent judgement in its deliberations and decisions. As on 31 March 2023, the Board of the Company comprised of six Directors, detail whereof is given below:

- A Non-Executive Chairman representing The Linde plc Group;
- Three Independent Directors;
- One Non-Executive Director representing The Linde plc Group; and
- One Executive Director (Managing Director).

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations.

Confirmation and Certification

On an annual basis, the Company obtains from each Director, details of their Board and Committee positions he/she occupies in other Companies and changes, if any regarding their directorships. The Company has obtained a certificate dated 23 May 2023 from M/s. P Sarawagi & Associates, Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such authority and the same forms part of this report.

Board Independence

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013 along with rules framed thereunder. The Independent Directors provide an annual confirmation that they meet the criteria of independence. Based on the confirmations / disclosures received from the Independent Directors as per the requirement of Regulation 25(8) of the SEBI Listing Regulations, the Board confirms, that the Independent Directors fulfil the conditions as specified under Schedule V of the SEBI Listing Regulations and are independent of the management.

Board Meetings

A calendar of Board and Committee meetings is agreed and circulated in advance to the Directors. Additional meetings are held with prior alignment with the Board members, as and when necessary. During the 15 months period from 1 January 2022 to 31 March 2023, video conferencing facility was used to facilitate all meetings of the Board of Directors to enable Directors residing at other locations to participate in the meetings. During the 15 months period from 1 January 2022 to 31 March 2023, six Board meetings were held on 24 February 2022, 13 May 2022, 9 August 2022, 14 November 2022, 13 February 2023 and 20 March 2023. The gap between any two consecutive meetings did not exceed one hundred and twenty days.

Board Agenda

The meetings of the Board are governed by a structured agenda. The agenda papers are made available to the Directors on the digital board room portal in advance before each meeting to enable them to take informed decisions. All Board members have access to accurate, relevant and timely information to fulfill their responsibilities. The Board members in consultation with the Chairman may bring up other matters for consideration at the Board meetings.

Information placed before the Board

Necessary information as required under the Companies Act, 2013 and SEBI Listing Regulations have been placed before and reviewed by the Board from time to time. The Board also periodically reviews compliance by the Company with the applicable laws/statutory requirements concerning the business and affairs of the Company and a quarterly confirmation of such compliance is furnished to the Board duly signed by the executive management.

Attendance of Directors at the Board Meetings of the Company held during the 15 months period from 1 January 2022 to 31 March 2023 and the last Annual General Meeting (AGM), Number of other Directorship(s) and other Board Committee Membership(s) held as on 31 March 2023

Name of the Director	Category of directorship	No. of Board meetings during 15 months period from 1 January 2022 to 31 March 2023		Attendance at the last AGM held on 23 June 2022	No. of other directorship(s)[i]	Other Board Committee membership(s)/ chairmanship(s)[ii]	Directorship & its category in other Listed entities
		Held	Attended				
Mr R J Hughes[iii] & [iv]	(Chairman) Non-Executive Director	5	4	Yes	-	-	-
Mr A Balakrishnan	Independent Director	6	6	Yes	4	1	-
Mr J Mehta	Independent Director	6	6	Yes	7	7 [Including 4 as Chairman]	1. JSW Ispat Special Products Ltd. (ID) 2. Suryoday Small Finance Bank Ltd.(ID) 3. Amal Limited (ID)
Dr S Sarin	Independent Director	6	6	Yes	5	1	1. Kirloskar Oil Engines Limited (ID) 2. Automotive Axles Limited (ID) 3. ISMT Limited (ID) 4. Kirloskar Ferrous Industries Limited (ID)
Ms M Sanganeria[iii]	Non-Executive Director	6	6	Yes	-	-	-
Mr A Banerjee	(Managing Director) Executive Director	6	6	Yes	-	-	-
Mr M J Devine[iii] &[v]	(Chairman) Non-Executive Director	1	1	N.A.	-	-	-

Notes:

[i] Excludes directorships in Indian private limited companies, foreign companies, companies under Section 8 of the Companies Act, 2013. None of the Directors on the Board holds directorships in more than 10 public limited companies. None of the Independent Directors of the Company serves as an Independent Director on more than 7 listed entities.

[ii] Represents memberships/chairmanships of Audit Committee and Stakeholders Relationship Committee in other Companies. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees across all Companies in which they are directors.

[iii] Director representing the Linde plc Group.

[iv] Mr R J Hughes, Non-Executive Director (Chairman) resigned from the Board and ceased to be a director of the Company with effect from close of business hours on 13 February 2023.

[v] Mr M J Devine was appointed by the Board as an Additional Director (Non-Executive) of the Company, subject to the approval of the Members of the Company with effect from 15 February 2023. Subsequently, at the Board Meeting held on 20 March 2023, Mr Devine was elected as the Chairman of the Board with effect from that date. Further, appointment of Mr Devine as a Director of the Company was approved by the Members of the Company through Postal Ballot on 25 April 2023.

There are no inter-se relationships between the Board Members of the Company.

Board Membership Criteria

The Nomination and Remuneration Committee of the Company works with the Board to determine the integrity, qualifications, expertise, positive attributes and experience of persons for appointment as Directors with the objective of having a Board with diverse background and experience. The Policy on appointment and removal of Directors and Board Diversity forms part of the Nomination and Remuneration Policy, which is available on the Company's website at https://www.linde-gas.in/en/images/Nomination%20and%20Remuneration%20Policy_tcm526-657189.pdf.

List of core skills/expertise/competencies identified by the Board in the context of business

The Company has individuals from diverse fields as Directors on its Board, who bring in the required skills, competence and expertise that are required for making effective contribution in the business. As per the requirement of SEBI Listing Regulations, the Board of Directors in the context of the Company's business has identified and approved the below core skills/expertise/competencies for effective functioning along with the names of the Directors who possess such skills/expertise/competencies:

Skills/expertise/competencies and its description	Michael Devine	Jyotin Mehta	Arun Balakrishnan	Shalini Sarin	Mannu Sanganeria	Abhijit Banerjee
Leadership Ability and experience in leading critical areas for large corporations and having in-depth knowledge of business environment, complex business processes, strategic planning, risk management, etc.	✓	✓	✓	✓		✓
Strategic Insights Expertise and experience of evaluating business strategic opportunities to determine long term strategic fit with business, strong value creation potential and clear execution capabilities.	✓	✓	✓	✓	✓	✓
Understanding of industry, safety and operations Experience and knowledge of the functioning, operations, growth drivers, business environment and changing trends in the gases industry with reference to metals & mining, manufacturing and engineering industries as well as experience in overseeing large supply chain operations.	✓		✓		✓	✓
Finance and Accounting Experience in handling financial management of a large organization along with an understanding of accounting and financial statements.	✓	✓	✓		✓	
Governance and regulatory landscape Experience of governance in senior management role and understanding of the legal ecosystem, regulations, which impact the Company on matters of regulatory compliance and governance.	✓	✓	✓	✓		
Use of Information Technology across the value chain Understanding the use of digital / Information Technology across the value chain, ability to anticipate changes driven by technology and appreciation of the need of cyber security and controls across the organization.	✓		✓			✓

Independent Directors

As per the provisions of Sections 149 and 152 read with Schedule IV of the Companies Act, 2013 and Rules made thereunder and the SEBI Listing Regulations, the Members had re-appointed Mr A Balakrishnan and Mr J Mehta as Independent Directors of the Company with effect from 1 October 2019 for a second term of five consecutive years and Dr. Shalini Sarin as Independent Director of the Company with effect from 10 July 2018 for a term of five consecutive years. Dr Sarin's term will come to an end at the close of business hours on 9 July 2023 and being eligible, her re-appointment has been proposed as Non-Executive Independent Director to hold office for a second term of five consecutive years with effect from 10 July 2023. Individual letters of appointment have been issued to the Independent Directors containing the terms and conditions of their appointment, role, duties and liabilities, evaluation process, code of conduct, etc. The specimen letter of appointment issued to the Independent Directors has been posted on the website of the Company at https://www.linde-gas.in/en/images/Terms%20of%20Appointment%20of%20Independent%20Directors_tcm526-648155.pdf. .

Separate Meeting of Independent Directors

During the 15 months period from 1 January 2022 to 31 March 2023, as per the requirement of Schedule IV of the Companies Act, 2013 and SEBI Listing Regulations, a separate meeting of Independent Directors was held on 22 March 2023 by video conference without the presence of the Non-Independent Directors and the members of the Management. The meeting was conducted in an informal manner to enable the Independent Directors to discuss and review the performance of Non-Independent Directors and the Board as a whole, performance of the Chairman of the Company and for assessing the quality, quantity and timeliness of flow of information between the Company management and the Board. The Independent Directors also interact with the Non-Executive Chairman for providing their inputs in this regard.

Familarisation programmes for Independent Directors

As a member of The Linde plc Group, the Company believes that an appropriate induction programme for new Directors and ongoing training for existing Directors makes a significant contribution to the maintenance of high corporate governance standards. The Managing Director and the Company Secretary are jointly responsible for ensuring that such induction and training programmes are provided to Directors, who in consultation with the Chairman ensure that the programmes to familiarise the Non-Executive Directors especially the Independent Directors with the business is maintained over time and kept relevant to the needs of the individual directors and the Board as a whole. The familiarisation programme is designed to build an understanding of Linde India, its business model, markets and regulatory environment, roles, rights and responsibilities of Independent Directors, etc. As a part of the familarisation programme, presentations were given at the Board and Audit Committee Meetings on the business and performance of the Company including global business environment, business strategy, risks involved, internal control over financial reporting, regulatory updates on matters relating to SEBI and Ministry of Corporate Affairs, etc. Site visits to plant locations are organized for the Independent Directors to enable them to understand the operations of the Company. Pursuant to Regulation 46(2) of the SEBI Listing Regulations, the required details with regard to the familiarisation programme for Directors conducted by the Company during the 15 months period from 1 January 2022 to 31 March 2023 are available on the website of your Company at https://www.linde-gas.in/en/images/Linde_Familirisation%20Programme_01.01.2022-31.03.2023_tcm526-676683.pdf.

Codes and Policies

The Board has adopted all applicable codes and policies as per the requirement of the Companies Act, 2013, SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended and SEBI Listing Regulations. The requisite codes and policies are posted on the Company's website at https://www.linde-gas.in/en/images/Code_of_Practices_and_Procedures_for_Fair_Disclosure_of_UPSI_tcm526-657186.pdf. and references to these codes and policies have been given elsewhere in this report.

Codes of Conduct

As a member of The Linde plc Group, the Company had adopted Linde plc's Code of Business Integrity applicable to all the employees of the Linde plc Group as the Code of Conduct for all its employees including its Whole time Directors. The Code of Business Integrity has been created by Linde plc to provide valuable information and insight to all its employees to enable them to appropriately deal with ethics and compliance culture within the organization with a view to keep our commitment to all the stakeholders. The Board has also adopted a brief Code of Conduct for the Non- Executive Directors, which is aligned to the Code of Business Integrity. The aforesaid Codes are available on the Company's website at https://www.linde-gas.in/en/ir/codesnpolicies/index.html . All Directors and senior management personnel of the Company as on 31 March 2023 have individually affirmed their compliance with the applicable Code of Conduct. A declaration signed by the Managing Director (CEO) to this effect is enclosed at the end of this report. The Code of Conduct for the Non-Executive Directors is in line with the provisions of Section 149(8) read with Schedule IV of the Companies Act, 2013 and SEBI Listing Regulations and contains brief guidance for professional conduct by the Non-Executive Independent Directors.

Code of Conduct for Prohibition of Insider Trading

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has a Code of Conduct to regulate, monitor and report Insider Trading by the Company's employees and other connected persons and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Codes have been amended from time to time to align with the subsequent amendments in SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company has taken measures to create awareness about the Code among its employees and has implemented a system of reporting details of trading in the securities of the Company by the Designated Persons to the Audit Committee at periodic intervals.

With a view to ensure compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended the Company has created a digital database of designated persons to put in place a system of internal controls in this regard.

Risk Management

The Company had originally developed a risk management framework in the year 2006 for identification and prioritization of various risks based on pre-defined criteria. Since then, the Company has been holding risk workshops periodically to refresh its risks in line with the dynamic and ever-changing business environment and the last refresher risk workshop was conducted on 25 October 2021, which was attended by senior management team of the Company. The senior management team deliberated on the carried forward risks and the new risks identified at the workshop and prioritized them on the basis of their EBIT impact and probability scores. These risks were thereafter assigned to various risk owners within the Company and appropriate mitigation plans have been put in place in respect of them. The Company has also implemented a system for identification, assessment, mitigation and review of new risks on an ongoing basis. The Board provides an oversight of the risk management process followed by the Company and the Managing Director and the Company Secretary of the Company provide quarterly updates to the Board on the key risks at the meetings of the Board of Directors. The Board reviews the progress of the action plan for top 10 risks with special focus on the top 5 identified key risks.

In order to ensure compliance with the provisions of SEBI Listing Regulations, as amended the Board of Directors of the Company had in the year 2019 constituted a Risk Management Committee of the Board comprising of two Independent Directors and the Managing Director and had also laid down its terms of reference. The details of the Committee are furnished in this report under the head-Committees of the Board. The Risk Management Committee provides a sharper focus to the risk management process and helps review of the risks in more detail. Upon superannuation, Mr Pawan Marda ceased to be the Chief Risk Officer of the Company effective 1 March 2023. The Risk Management Committee at its meeting held on 20 March 2023 appointed Mr Amit Dhanuka, Company Secretary of the Company as the new Chief Risk Officer with effect from that date.

As advised by the Risk Management Committee, the Company has initiated action to adopt a structured approach to identify the landscape of ESG risks relevant to its operations and develop strategies to implement necessary mitigating actions to address the same.

CEO/CFO Certification

The Managing Director (CEO) and the Chief Financial Officer (CFO) of the Company have certified to the Board pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations read with Part B of Schedule II thereof, that all the requirements of the SEBI Listing Regulations, inter alia, dealing with the review of financial statements and cash flow statement for the 15 months period from 1 January 2022 to 31 March 2023, transactions entered into by the Company during the said period, their responsibility for establishing and maintaining internal control systems for financial reporting and evaluation of the effectiveness of the internal control system and making of necessary disclosures to the Auditors and the Audit Committee have been duly complied with. A copy of the aforesaid certification is annexed to this Report.

Committees of the Board

As on 31 March 2023, the Company had five Committees of the Board of Directors – Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

The minutes of all Board and Committee meetings are placed before the Board and noted by the Directors at the Board meetings. The role, composition and terms of reference of Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee including the number of meetings held during the 15 months period from 1 January 2022 to 31 March 2023 and the related attendance are as follows:

Audit Committee

The Audit Committee of the Company was constituted in the year 1988. The present terms of reference of the Audit Committee are aligned as per the provisions of Section 177 of the Companies Act, 2013 and include the roles as laid out in the SEBI Listing Regulations.

Terms of Reference

The brief description of the present terms of reference of the Audit Committee in line with the Companies Act, 2013 and the SEBI Listing Regulations is as follows:

a) Overview of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
b) Recommend to the Board appointment, remuneration and terms of appointment of auditors of the company;
c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
d) Reviewing with the management the annual financial statements and auditor's report thereon before submission to the Board for approval with particular reference to:
    i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;
    ii. Changes, if any, in accounting policies and practices and reasons for the same;
    iii. Major accounting entries involving estimates based on the exercise of judgement by management;
    iv. Significant adjustments made in the financial statements arising out of audit findings;
    v. Compliance with listing and other legal requirements relating to financial statements;
    vi. Disclosure of any related party transactions;
    vii. Modified opinion(s) in the draft audit report.
e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
f) Reviewing with the management the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
g) Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems;

h) Reviewing the adequacy and effectiveness of Internal Audit function, the internal control system of the Company, structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
i) Discussion with internal auditors on any significant findings and follow up thereon;
j) Reviewing the findings of any investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board;
k) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
l) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
m) Reviewing the functioning of Whistle Blower mechanism;
n) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
o) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
p) Scrutiny of inter-corporate loans and investments;
q) Approval of related party transactions and any subsequent modification/ratification of transactions of the company with related parties;
r) Valuation of undertakings or assets of the company, wherever it is necessary;
s) Evaluation of internal financial controls and risk management systems;
t) Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding Rs.100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances /investments existing as on 1 April 2019 (the date of coming into force of this provision);
u) Generally, all items listed in Section 177 of the Companies Act, 2013 and Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
v) To carry out any other function as mandated by the Board from time to time and/or enforced by any statutory modification(s) and/ or re-enactment(s) of the applicable law for the time being in force;
w) The Audit Committee shall also review the following information pursuant to Part C (Item B) of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
    i. Management discussion and analysis of financial condition and results of operations;
    ii. Statement of significant related party transactions (as defined by the audit committee) submitted by the management;
    iii. Management letters /letters of internal control weaknesses issued by the statutory auditors;
    iv. Internal audit reports relating to internal control weaknesses;
    v. Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
    vi. Statement of deviations:
        - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32 (1).
        - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32 (7).

Composition

The composition of the Audit Committee has been in accordance with the requirement of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013. As on 31 March 2023, the Committee comprised of four Non-Executive Directors, three of whom, including the Chairman of the Committee were Independent Directors. Mr J Mehta, Independent Director (Chairman of the Committee), Mr M J Devine, a Non-Executive Director representing The Linde plc Group, Mr A Balakrishnan, Independent Director and Dr S Sarin, Independent Director were the Members of the Committee. During the period, Mr R J Hughes, a Non-Executive Director representing The Linde plc Group, who was a Member of the Committee resigned from the Board with effect from close of business hours on 13 February 2023 and ceased to be a Member of the Committee. Mr M J Devine, a Non-Executive Director representing The Linde plc Group, was inducted as a Member of the Audit Committee with effect from 20 March 2023. As per the requirement of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013, all members of the Audit Committee are financially literate with at least one member having expertise in accounting or related financial management. The Chairman of the Audit Committee attended the Annual General Meeting of the Company held on 23 June 2022.

The Managing Director, Chief Financial Officer and Head-Internal Audit are permanent invitees in all meetings of the Committee. The Statutory Auditors of the Company are invited to attend the Audit Committee meetings, who also meet the Audit Committee without the presence of the management. The Cost Auditors are also invited to the meeting(s) for discussion on Cost Audit Report and for other related matters, if any. The Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance during the 15 months period from 1 January 2022 to 31 March 2023

Six meetings of the Audit Committee were held during the 15 months period from 1 January 2022 to 31 March 2023. The meetings were held on 24 February 2022, 13 May 2022, 9 August 2022, 14 November 2022, 13 February 2023 and 20 March 2023. The gap between any two consecutive meetings did not exceed one hundred and twenty days. The attendance of the Members at these meetings was as follows:

Name of the Director	No. of meetings held during tenure	No. of meetings attended
Mr J Mehta	6	6
Mr A Balakrishnan	6	6
Dr S Sarin	6	6
Mr R J Hughes	5	4
Mr M J Devine	1	1

Nomination and Remuneration Committee

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee (NRC) are as follows:

a) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment/removal;
b) Formulating the criteria for determining qualifications, positive attributes and independence of a Director and to recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
c) Formulating the criteria for evaluation of performance of Independent Directors and the Board, its committees and individual directors and specifying the manner for effective evaluation of their performance to be carried out either by the Board or the Committee and reviewing its implementation;
d) Devising a policy on Board diversity;
e) Recommending/reviewing remuneration of the Managing Director and Wholetime Director(s) based on performance and defined assessment criteria;
f) Recommending policy for selection and appointment of Directors, Key Managerial Personnel and other senior management positions;
g) Carrying out succession planning for the Board level and key management positions;
h) Recommending extension/continuance of the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
i) Recommending to the Board all remuneration payable to senior management; and
j) To carry out any other function as mandated by the Board from time to time and/or enforced by any statutory modification(s) and/ or re-enactment(s) of the applicable law for the time being in force.

Composition

As on 31 March 2023, the Committee comprised of three Non-Executive Directors, two of whom including the Chairman of the Committee were Independent Directors. Mr A Balakrishnan, Independent Director (Chairman of the Committee), Mr J Mehta, Independent Director and Mr M J Devine, a Non-Executive Director representing The Linde plc Group were the Members of the Committee as on 31 March 2023. During the period, Mr R J Hughes, a Non-Executive Director representing The Linde plc Group, who was a Member of the Committee resigned from the Board with effect from close of business hours on 13 February 2023 and ceased to be a Member of the Committee. Mr M J Devine, a Non-Executive Director representing The Linde plc Group, was inducted as a Member of the Nomination & Remuneration Committee with effect from 20 March 2023.

Meetings and Attendance during the 15 months period from 1 January 2022 to 31 March 2023

During the 15 months period from 1 January 2022 to 31 March 2023, four meetings of the Committee were held on 12 May 2022, 8 August 2022, 9 November 2022 and 13 February 2023. The attendance of the Members at the said meetings was as follows:

Name of the Director	No. of meetings held during tenure	No. of meetings attended
Mr A Balakrishnan	4	4
Mr J Mehta	4	4
Mr R J Hughes	4	3
Mr M J Devine	-	-

Board Performance Evaluation

During the 15 months period ended 31 March 2023, the performance evaluation of the Board, its Committees and individual directors including the process and criteria thereof was done through a combination of the Nomination and Remuneration Committee (NRC), the Board and a separate meeting of Independent Directors.

During the 15 months period ended 31 March 2023, the Nomination and Remuneration Committee of the Board reviewed and approved the process and various attributes considered in the previous year for evaluating the performance of the Board, its Committees and individual directors. As a result of the review, the performance evaluation form for the 15 months period ended 31 March 2023 was approved by the Nomination and Remuneration Committee of the Board. As per the earlier years, the Company had provided an online platform to the Directors for participating in the aforesaid performance evaluation process, which contained a structured questionnaire for seeking feedback from the directors on certain pre-defined attributes applicable to them, including some specific ones for the Independent Directors and similar attributes for the Board as a whole and its Committees as approved by the NRC. In respect of Independent Directors, the criteria or the attributes included ensuring independence and avoiding conflict of interest, safeguarding the interest of minority shareholders, application of independent judgement while taking decisions at the Board Meeting and ensuring adequate deliberations while approving material decisions including Related Party Transactions. Subsequently, the Independent Directors at their separate meeting held on 22 March 2023, reviewed the performance of the Board, Chairman of the Board and the Non-Independent Directors and also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board. The Chairman of the Board was thereafter briefed on the outcome of the review carried out by the Independent Directors.

The result of the performance evaluation continues to remain encouraging with consistent improvement recorded in the overall ratings of all the Board members for self & peer assessment, Board as a whole and its Committees over the last year. The rating during the 15 months period from 1 January 2022 to 31 March 2023 has been in the range of 'very good' to 'excellent' on the pre-defined criteria. The Chairman of the Board provided feedback to the Board Members about the results of the performance evaluation survey.

Nomination and Remuneration Policy

The Board of Directors of the Company has on the recommendation of the Nomination and Remuneration Committee of the Board approved a Nomination and Remuneration Policy of the Company which, inter alia, covers policy on appointment, remuneration and removal of Directors, Key Managerial Personnel and Senior Management, policy on succession planning and policy on Board diversity. This policy is available in the Investor Relations section of the Company's website at https://www.linde-gas.in/en/images/Nomination%20and%20Remuneration%20Policy_tcm526-657189.pdf.

Payment of remuneration to the Executive/Whole time Directors of the Company is governed by the terms and conditions of their appointment as recommended by the Nomination and Remuneration Committee and approved by the Board subject to the approval of the Shareholders. The remuneration structure comprises basic salary, perquisites and allowances, variable compensation pay under the Company's Short Term, Mid Term and Long Term Incentive Plan and contribution to provident, superannuation/national pension scheme and gratuity funds.

Non-Executive Independent Directors of the Company receive remuneration by way of fees for attending meetings of the Board or Committee thereof as approved by the Board from time to time within the prescribed limits under the Companies Act, 2013. Non-Executive Independent Directors may also be paid commission as approved by the shareholders subject to a limit of 1% of the net profits of the Company computed under the applicable provisions of the Companies Act, 2013. The Commission payable to the Independent Directors is determined by the Board within the aforesaid limit of 1% of the net profits after taking into account their attendance and roles and responsibilities in various Committees of the Board and the overall contribution. The Company does not pay remuneration to Non-Executive Directors representing the Promoter Group.

During the 15 months period from 1 January 2022 to 31 March 2023, the sitting fees paid to the Non-Executive Directors, other than the Directors representing The Linde plc Group for attending each meeting of the Board of Directors and Audit Committee has been revised from Rs. 50,000/- to Rs. 60,000/- and the sitting fees for attending each meeting of the Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee of the Board from Rs. 25,000/- to Rs. 30,000/- with effect from the meetings held in the month of May 2022.

Details of Remuneration to Executive/Whole time Director(s)

Details of remuneration to Executive/Whole time Director during the 15 months period from 1 January 2022 to 31 March 2023 is given below:

in Rupees

Name of the Director	Salary and Allowances	Performance linked incentive/pay	Contribution to Provident and other Funds	Perquisites/ Other Benefits	Total
Mr A Banerjee, Managing Director	15,521,427	15,410,245	886,844	1,303,589	33,122,105

The Agreement entered into with Mr A Banerjee is for a period of 3 years from the date of his appointment i.e. 7 June 2022. The terms and conditions of the appointment including remuneration payable to Managing Director were set out in the Agreement dated 28 November 2022 entered into by him with the Company. The said appointment along with the terms and conditions was approved by way of a special resolution passed by the Members of the Company on 23 June 2022. The terms and conditions of the appointment including remuneration payable to Managing Director for the period 1 January 2022 to 6 June 2022 was covered under an agreement dated 23 July 2019 entered into with Mr A Banerjee. The Agreement(s) with the Managing Director can be terminated by either party by giving not less than six months' notice in writing. The Agreement(s) does not provide for payment of any severance fees.

Presently, the Company does not have a scheme for grant of stock options to its employees. As a part of the terms and conditions of the appointment approved by the Nomination and Remuneration Committee, the Board and the Shareholders of the Company, the Managing Director is entitled to Long Term Incentive Payment under which he is granted stock options of the equity shares in Linde plc.

Details of Remuneration to Non-Executive Directors

Details of remuneration paid/payable to the Non-Executive Independent Directors during the 15 months period from 1 January 2022 to 31 March 2023 is given below:

in Rupees

Name of the Director	Sitting Fees Paid	Commission payable for the 15 months period from 1 January 2022 to 31 March 2023
Mr A Balakrishnan, Independent Director	11,10,000	25,00,000
Mr J Mehta, Independent Director	9,65,000	31,00,000
Dr S Sarin, Independent Director	8,45,000	22,50,000
Total	29,20,000	78,50,000

In accordance with the approval of the Shareholders in the Annual General Meeting held on 18 September 2020, the payment of commission to Non-Executive Independent Directors, other than the Directors representing the Linde plc Group has been determined by the Board, which is well within the ceiling of 1% of net profits of the Company for the 15 months period from 1 January 2022 to 31 March 2023 as computed under the applicable provisions of the Companies Act, 2013. The allocation of commission amongst the eligible Non-Executive Independent Directors has been decided by the Board on the basis of the Board/Committee Meetings attended and their role/responsibility as Chairman/Member of the Committees of the Board with each interested director present not participating in the deliberations in respect of his/her own commission. The commission for the aforesaid period would be paid to Independent Directors subject to deduction of tax after adoption of the financial statements by the Members at the ensuing Annual General Meeting.

In addition to the sitting fees and commission, the Company pays/ reimburses expenses incurred by the Non-Executive/Independent Directors for attending the Board and Committee meetings and general meetings of the Members of the Company.

Other than the above, the Non-Executive Directors do not have any pecuniary relationship or transactions with the Company.

None of the Directors held any shares in the Company as on 31 March 2023.

Stakeholders' Relationship Committee

Terms of Reference

The terms of reference of Stakeholders' Relationship Committee, inter alia, include the following:

a) Monitoring/resolving grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.;
b) Reviewing measures taken for effective exercise of voting rights by shareholders;
c) Reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the Company's Registrar & Share Transfer Agent;
d) Reviewing various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders;
e) Recommending methods to upgrade the standard of services to investors, shareholders and other security holders;
f) To carry out any other function as mandated by the Board from time to time and/or enforced by any statutory modification(s) and/ or re-enactment(s) of the applicable law for the time being in force.

Composition

As on 31 March 2023, the Stakeholders' Relationship Committee comprised of three Directors, two of whom including the Chairman of the Committee were Non-Executive Independent Directors. The names of the Members are Mr. A Balakrishnan, Non-Executive Independent Director (Chairman of the Committee), Mr J Mehta, Non-Executive Independent Director and Mr A Banerjee, Managing Director of the Company.

The Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance during the 15 months period from 1 January 2022 ended 31 March 2023

During the 15 months period ended 31 March 2023, two meetings of the Committee were held on 23 February 2022 and 9 November 2022. The attendance of the Members at these meetings was as follows:

Name of the Director	No. of meetings held during tenure	No. of meetings attended
Mr A Balakrishnan	2	2
Mr J Mehta	2	2
Mr A Banerjee	2	2

The Board of Directors has delegated the power of approving the share transfers (as applicable), transmission, etc. to the Managing Director and Company Secretary of the Company for expediting these processes. During the year, the Committee of Delegates met at regular intervals to dispose of all stipulated matters relating to share transfers, transmission, issue of duplicate share certificates, etc. with a view to meet the timeline for registering the transfer/transmission, etc. of equity shares. SEBI had vide its press release no. 12/2019 dated 27 March 2019 mandated that with effect from 1 April 2019, requests for effecting transfer of shares shall not be processed unless the securities are held in dematerialized form with a depository, except in case of transmission or transposition of securities. Further, SEBI had also vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated 25 January 2022 had made it compulsory for listed companies to issue securities in dematerialized form while processing the requests for the (a) Issue of duplicate securities certificate; (b) Claim from Unclaimed Suspense Account; (c) Renewal / Exchange of securities certificate; (d) Endorsement; (e) Sub-division / Splitting of securities certificate; (f) Consolidation of securities certificates/folios; (g) Transmission; (h) Transposition from the investors.

Compliance Officer

Subsequent to the superannuation of Mr Pawan Marda as the Company Secretary of the Company effective close of business hours on 28 February 2023, he ceased to be the Compliance Officer of the Company. The Board of Directors has appointed Mr Amit Dhanuka, Company Secretary of the Company, as the Compliance Officer effective 1 March 2023.

Shareholders' Complaints

During the 15 months period from 1 January 2022 to 31 March 2023, the Company received 41 complaints from the shareholders/investors. As on 31 March 2023, no shareholder/investor complaints were pending. It is the endeavour of the Company to attend to all such complaints and other correspondence within a period of 15 days, except in cases constrained by disputes or legal impediments.

Pending Share Transfers & Dematerialisation Requests

The Company's shares are required to be compulsorily traded in electronic form. In line with the press release no.12/2019 dated 27 March 2019 issued by SEBI, with effect from 1 April 2019, the transfer of shares in physical form has been prohibited except in case of transmission or transposition. However, as explained above SEBI vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January 2022 has mandated the listed entities to issue securities in dematerialized form only while processing all kinds of service requests by investors. During the 15 months period from 1 January 2022 to 31 March 2023, the Company did not process any shares for transfer in physical form (re-lodgement cases). As on 31 March 2023, no request for transfer of shares and 3 cases for dematerialization representing 637 shares was pending. However, the said 3 cases for dematerialization have been processed as on the date of this report.

Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee of the Company was constituted by the Board on 7 February 2014 in compliance with the provisions of Section 135 of the Companies Act, 2013.

Terms of Reference

The brief terms of reference of CSR Committee are as follows:

a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the CSR activities to be undertaken by the Company as specified in the Companies Act, 2013;
b) Recommend the amount of expenditure to be incurred on CSR activities; and
c) Monitor the CSR Policy of the Company from time to time.

Composition

As on 31 March 2023, the CSR Committee comprised of three Directors- two Non-Executive Independent Directors, viz. Dr. S Sarin (Chairperson of the Committee) and Mr A Balakrishnan and Mr A Banerjee, Managing Director of the Company.

Meetings and Attendance during the 15 months period from 1 January 2022 to 31 March 2023

During the period from 1 January 2022 to 31 March 2023, five meetings of the Committee were held on 23 February 2022, 12 May 2022, 8 August 2022, 9 November 2022 and 20 March 2023. The attendance of the Members at these meetings was as follows:

Name of the Director	No. of meetings held during tenure	No. of meetings attended
Dr S Sarin	5	5
Mr A Balakrishnan	5	5
Mr A Banerjee	5	5

Risk Management Committee

The Risk Management Committee of the Board of Directors of the Company was constituted by the Board at its meeting held on 22 March 2019 in compliance with the provisions of the SEBI Listing Regulations, as amended.

Terms of Reference

The terms of reference of the Risk Management Committee are as follows:

a) Identifying and assessing various internal and external risks across the Company and to suggest measures to minimize and/ or mitigate the significant risks;
b) Reviewing the Risk Management Policy of the Company, at least once in two years and ensuring implementation of the same including evaluating the adequacy of risk management systems;
c) Obtaining on a regular basis reasonable assurance that-
   i. the Company's risk management policies for significant risks are being adhered to;
   ii. all the known and emerging risks have been identified and being mitigated or managed;
d) Evaluating on a regular basis, the effectiveness and prudence of senior management in managing the risks to which the Company is exposed to;
e) Monitoring adoption of new technology and reviewing the adequacy of cyber security functions and recommending measures to mitigate risks;
f) Determining the risk appetite of the Company particularly and to make recommendations on the same to the Board of Directors;
g) Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions;
h) Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);

i) Dealing with such matters as may be delegated / referred to by the Board of Directors and to carry out any other function as mandated by the Board from time to time and/or enforced by any statutory modification(s) and/ or re-enactment(s) of the applicable law for the time being in force.

Composition

As on 31 March 2023, the Committee comprised of three Directors- two Independent Directors viz., Mr A Balakrishnan (Chairman of the Committee) and Mr. J Mehta. Mr A Banerjee, Managing Director of the Company is the other member of the Committee.

Meetings and Attendance during the 15 months period from 1 January 2022 to 31 March 2023

During the 15 months period from 1 January 2022 to 31 March 2023, three meetings of the Committee were held on 12 May 2022, 9 November 2022 and 20 March 2023. The attendance of the Members at these meetings was as follows:

Name of the Director	No. of meetings held during tenure	No. of meetings attended
Mr A Balakrishnan	3	3
Mr J Mehta	3	3
Mr A Banerjee	3	3

General Body Meetings

A) Location and time for last three Annual General Meetings (AGM) and details of special resolutions passed:

Financial Year	Date of AGM	Venue*	Time	No. of Special Resolution(s) passed
Year ended 31 December 2021	23 June 2022	AGM by way of Video Conference (VC)/ Other Audio Visual Means (OAVM)	10.00 a.m.	1. Re-appointment of Mr Abhijit Banerjee (DIN- 08456907) as the Managing Director for a term of three years.
Year ended 31 December 2020	24 June 2021	AGM by way of Video Conference (VC)/ Other Audio Visual Means (OAVM)	10.00 a.m.	None
Year ended 31 December 2019	18 September 2020	AGM by way of Video Conference (VC)/ Other Audio Visual Means (OAVM)	10.00 a.m.	None

*The venue for all the aforesaid Annual General Meetings of the Company held through Video Conference (VC)/ Other Audio Visual Means (OAVM) was deemed to be the Registered Office of the Company at Oxygen House, P-43 Taratala Road, Kolkata-700088.

B) Postal Ballot:

During the 15 months period from 1 January 2022 to 31 March 2023, one resolution, as detailed below, was passed through Postal Ballot by electronic means (remote e-voting). Mr Pawan Kumar Sarawagi, Proprietor of M/s. P Sarawagi & Associates, Company Secretaries was appointed as the Scrutinizer for conducting the voting process of the Postal Ballot in a fair and transparent manner in compliance with the applicable laws and provisions. The details of the voting result of the said Postal Ballot including the voting pattern are as follows:

Sl. No.	Brief particulars of the resolution	No. of shares and % of valid votes cast by electronic means in FAVOUR of the Resolution	No. of shares and % of valid votes cast by electronic means AGAINST the Resolution	Result
1	Appointment of Mr Michael James Devine (DIN: 10042702) as a Non-Executive Director of the Company	68,478,410 (93.4826%)	4,774,200 (6.5174%)	Passed as an Ordinary Resolution by requisite majority.

Appointment/Re-appointment of Directors

Information about Directors proposed to be appointed/re-appointed as required under Regulation 36(3) of SEBI Listing Regulations is furnished under Note 31 of the Notice of the ensuing Annual General Meeting.

Means of Communication

- The unaudited quarterly standalone and consolidated financial results in respect of the first four quarters of the 15 months period from 1 January 2022 to 31 March 2023 were approved, taken on record and submitted to the Stock Exchanges as per the SEBI Listing Regulations along with "limited review report" within forty five days of the close of the relevant quarter. Audited standalone and consolidated financial results in respect of the last quarter and 15 months period ended 31 March 2023 were submitted to the Stock Exchanges as per the SEBI Listing Regulations with a note stating that the figures for the three months ended 31 March 2023 were published as balancing figures between audited figures in respect of the full financial year and the year to date figures up to twelve months ended 31 December of the 15 months period. Also, figures for the three months ended 31 March 2023 were reviewed and not subjected to audit.

- The extracts of the unaudited consolidated quarterly financial results and the extracts of the audited consolidated financial results for the 15 months period from 1 January 2022 to 31 March 2023 have been published during the period in prominent financial newspapers, viz. Business Standard, Kolkata edition (in English), and Aaj Kaal, Kolkata edition (in vernacular language - Bengali).

- The Company has its own functional website www.linde.in as required by the SEBI Listing Regulations, where information about the Company, quarterly and annual audited financial results, annual reports, distribution of shareholding at the end of each quarter, official press releases, information required to be disclosed under Regulation 30(8) and 46 of the SEBI Listing Regulations, etc. are regularly updated.

- Management Discussion and Analysis is a part of the Directors' Report.

- All material events/information relating to the Company that could influence the market price of its securities or investment decisions are timely disclosed to the Stock Exchanges as per the Company's Policy on determination of materiality of events framed under the SEBI Listing Regulations. All disclosures under this policy are also displayed on the Company's website and hosted for a minimum period of five years and thereafter as per the Archival Policy of the Company. The Policy on determination of materiality of events and Archival Policy of the Company are available on the Company's website at https://www.linde-gas.in/en/ir/codesnpolicies/index.html.

- During the 15 months period from 1 January 2022 to 31 March 2023, the Company did not make any presentation(s) to investors/ analysts other than the presentation made at the 86th Annual General Meeting of the Company held on 23 June 2022. The earlier presentation(s) are posted on the Company's website at https://www.linde-gas.in/en/ir/cp/index.html.

- The Company has an exclusive section on "Investor Relations" in its website "www.linde.in" for the purpose of giving necessary information to the Shareholders on various matters including financial results, annual reports, dividends, codes and policies, disclosures/notices sent to stock exchanges, shareholding pattern, compliance reports, postal ballots, CSR, etc. Besides, information relating to green initiative, process of filing claim for refund of dividends and shares from the IEPF Authority, information relating to transfers made by the Company to IEPF Authority, procedure for registration of PAN, KYC details and nomination etc. are also available on the investor relations section. These information, procedures, formats, etc. are available on the aforesaid website in downloadable formats as a measure of added convenience to the investors.

Other Disclosures

- Materially significant related party transactions (i.e., transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc.) that may have potential conflict with the interests of the Company at large:
  None of the transactions with any of the related parties were in conflict with the interests of the Company. However, the related party disclosures about list of related parties and the transactions with them given under Note 45 of Notes to the Standalone Financial Statements for the 15 months period from 1 January 2022 to 31 March 2023 may be referred. All related party transactions are in the ordinary course of business and are at arm's length.

  Pursuant to the provisions of Section 188 of the Companies Act, 2013 and Clause 49 of the erstwhile Listing Agreement (now Regulation 23(4) of the SEBI Listing Regulations), all contracts/ agreements/ arrangements whether existing or to be entered into by the Company with Linde AG, (now known as Linde GmbH) (intermediary holding company) for purchase/ sale of plant, equipment, critical spares, gases in bulk or in cylinders, etc. and for rendering or availing of services, borrowings and interest thereon and/or other related transactions on an ongoing basis in every financial year subject to an aggregate limit of Rs.10,000 million for the total value of all such transactions in each financial year of the Company were approved by the shareholders of the Company through Postal Ballot on 9 September 2014.

- Policy on dealing with Related Party Transactions:
  The Policy on dealing with Related Party Transactions is available on the Company's website at https://www.linde-gas.in/en/images/Linde%20India%20RPT%20Policy_14.11.2022_tcm526-673128.pdf

- Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
  The Company remains committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. The Company's Policy on Prevention of 'Sexual Harassment' is in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. Internal Complaints Committee (ICC) has been set up to redress complaints, if any, received regarding sexual harassment. All employees whether permanent, contractual, temporary, etc. have been covered under this Policy. The Policy is gender neutral.

  During the 15 months period from 1 January 2022 to 31 March 2023, no complaint alleging sexual harassment was received by the Company.

- Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:
  The Company does not have any subsidiary company. No loan/advance was given to any firm/companies in which directors are interested during the 15 months period from 1 January 2022 to 31 March 2023.

- Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority, on any matter related to the capital markets, during the last three years:
  No penalties or strictures have been imposed by Stock Exchange(s), SEBI or any statutory authority on any matter related to capital markets during the last three years.

- Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:
  The Linde plc Group encourages all employees who have concerns about their work or the business of the Company, to discuss these issues with their line managers. The employees also have free access to Human Resources, Internal Audit and Legal Services Department for resolving their concerns. No employee has been denied access to the Audit Committee.

  As per the requirement of the Companies Act, 2013 and the SEBI Listing Regulations, the Company has framed its Whistle Blower Policy to enable all employees and the Directors to report in good faith any violation of its Code of Business Integrity as enumerated in the Policy. The whistle blowers may also lodge their complaints/concern with the Chairman of the Audit Committee, whose contact details are provided in the Whistle Blower Policy of the Company. The Policy also offers appropriate protection to the whistle blowers from victimization, harassment or disciplinary proceedings.

- Web link where policy on determining 'material' subsidiaries is disclosed:
  The Company does not have any subsidiary.

- Details of Compliance with mandatory requirements:
  The Company has complied with all the applicable mandatory requirements of the Code of Corporate Governance as prescribed under the SEBI Listing Regulations.

- Details of compliance with non-mandatory (discretionary) requirements:
  The Company complies with the following non-mandatory (discretionary) requirements as specified in Part E of Schedule II of the SEBI Listing Regulations:

The Board

The Chairman of the Company is a Non-Executive Director representing The Linde plc Group. However, the Company is not maintaining an exclusive Chairman's office at its expense.

Shareholders' Rights

The quarterly, half yearly and annual financial results of the Company are published in leading newspapers and are also posted on the Company's website. Significant press releases, whenever issued, are also posted on the website in the News and Media section.

In view of the prevailing situation owing to difficulties involved in desptaching of the physical copies of the financial statements and reports, the Company had sent Annual Reports for the year 2021 together with Notice of the Annual General Meeting in electronic mode to those shareholders whose e-mail addresses were registered with the Company's RTA or the Depositories for this purpose in compliance with the MCA's General Circular Nos. 20/2020 dated 5 May 2020, 02/2021 dated 13 January 2021, 21/2021 dated 14 December 2021, 2/2022 dated 5 May 2022 and SEBI's Circular No. SEBI/HO/ CFD/CMD2/ CIR/P/2022/62 dated 13 May 2022.

Modified opinion(s) in audit report

The Auditors of the Company have issued an unmodified opinion in their report to the Members of the Company on the financial statements for the 15 months period from 1 January 2022 to 31 March 2023.

Separate posts of Chairperson and Chief Executive Officer (Managing Director)

The Company has appointed separate persons to the post of Chairman and Managing Director.

Reporting of Internal Auditor

The Internal Auditor of the Company directly submits its reports to the Audit Committee of the Board. The Internal Auditor is a permanent invitee at the Audit Committee Meetings and regularly attends these Meetings, inter alia, in connection with Audit Plan and Internal Audit Reports.

Fees paid to the Statutory Auditors

During the 15 months period from 1 January 2022 to 31 March 2023, the total fees paid by your Company and its subsidiaries to Deloitte Haskins & Sells, LLP, Chartered Accountants and Price Waterhouse & Co. Chartered Accountants LLP, as Statutory Auditor(s) and all the entities in the network firm/network entity of which the Statutory Auditor(s) are a part was Rs.9.11 million as per details given below:

	Rupees in million
Particulars	Amount
Services as Statutory Auditor(s) (including quarterly limited reviews)	4.71
Tax Audit	1.00
Taxation related services	2.56
Other services	0.10
Out-of-pocket expenses	0.74
Total	**9.11**

General Shareholder Information

Date, time & venue of the Annual General Meeting	17 August 2023 at 10.00 a.m. Since the Company's AGM will be conducted through VC/OAVM pursuant to the circulars issued by MCA and SEBI in this regard, as such there is no requirement to have a venue for the AGM. However, the deemed venue as mentioned in the Notice of the 87th AGM is the Registered Office of the Company at Oxygen House, P 43, Taratala Road, Kolkata 700 088.	
Financial Calendar 2023-24 (tentative and subject to change)	i. Financial Year	April 2023 to March 2024
	ii. First Quarter Results	8 August 2023
	iii. Second Quarter and Half Yearly Results	10 November 2023
	iv. Third Quarter Results	2 February 2024
	v. Audited Annual Results	May 2024
Book Closure Period	11 August 2023 to 17 August 2023 (both days inclusive)	
Dividend Payment Date	On or about 22 August 2023 (if approved by the Members at AGM)	
Listing on Stock Exchanges	a) BSE Ltd., P. J. Towers, Dalal Street, Mumbai 400 001	
	b) National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400051	
	Annual Listing Fees have been paid to all these stock exchanges for the year 2023-24.	
Stock Code	a) BSE Ltd., Scrip Code: 523457	
	b) National Stock Exchange of India Ltd., Symbol: LINDEINDIA	

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund

During the15 months period from 1 January 2022 to 31 March 2023, pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the 60th unpaid/unclaimed dividend amount of Rs. 680,201/- for the financial year 2014 was transferred to the Investor Education and Protection Fund (IEPF). The details of the said transfer can be viewed at Form IEPF-1 -LINDE.xls (linde-gas.in) .

Pursuant to the aforesaid provisions, the transfer of equity shares to the Demat Account of the IEPF Authority in respect of which, dividend had remained unpaid/unclaimed for a consecutive period of seven years had also become due in June 2022. In compliance with the aforesaid provisions, the Company had transferred 20,246 equity shares held by 157 shareholders to the demat account of IEPF Authority on 23 July 2022 and 2 August 2022. Details of the same are provided in Note no. 27 of the Notice of the 87th Annual General Meeting. The details of unpaid/unclaimed dividends in respect of the last seven financial years commencing from the financial year 2015 and ending with financial year 2021 and their respective due dates for transferring the same to the IEPF are furnished in Note 25 of the Notice of the 87th Annual General Meeting. The Company has sent individual notices dated 16 March 2023 to the concerned shareholders whose 61st Dividend for the year 2015 have remained unpaid/unclaimed for seven years and would become due for transfer on 25 June 2023. Similarly, the Company as per the provisions of IEPF rules has sent individual notices dated 24 March 2023 to the concerned shareholders and also published it in Kolkata editions of Business Standard (English) and Aajkaal (Bengali) on 25 March 2023 and 26 March 2023 respectively, in respect of transfer of the next batch of underlying shares to the demat account of IEPF Authority, which would become due on 25 June 2023.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company at https://www.linde-gas.in/en/ir/dividends/nodal_officer/index.html.

The process for claiming refund of the unpaid/unclaimed dividend and/or the shares transferred by the Company to the IEPF as aforesaid is provided in Note 28 of the Notice of the 87th Annual General Meeting and is also available on https://www.linde-gas.in/en/ir/dividends/process_of_refund/index.html.

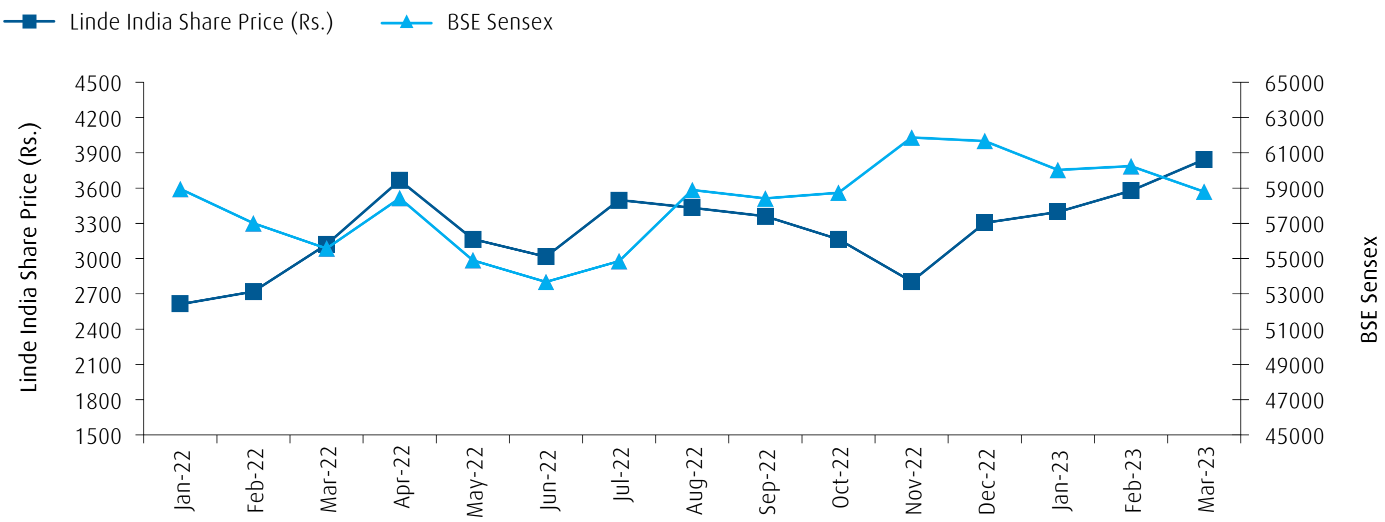
Stock Market Price Data

Monthly high and low quotations and volume of shares traded on BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) during the 15 months period from 1 January 2022 to 31 March 2023:

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Volume of shares traded	High (Rs.)	Low (Rs.)	Volume of shares traded
January 2022	2881.55	2477.80	1,71,494	2880.00	2497.00	29,40,292
February 2022	3004.45	2526.00	2,13,212	3005.00	2531.25	37,83,437
March 2022	3828.15	2458.10	3,67,836	3810.00	2503.20	70,06,090
April 2022	4192.35	3396.70	2,39,587	4190.00	3399.00	34,60,524
May 2022	3580.15	2822.10	1,31,710	3584.95	2822.00	18,06,268
June 2022	3325.00	2711.00	83,391	3325.00	2710.00	14,88,141
July 2022	3725.00	3115.00	1,00,996	3729.95	3111.00	14,52,620
August 2022	3777.10	3205.05	93,262	3780.00	3204.00	12,85,167
September 2022	3639.90	3093.85	1,29,857	3640.00	3090.00	16,64,473
October 2022	3396.85	3021.75	1,98,694	3399.00	3030.00	5,57,329
November 2022	3290.25	2932.85	55,237	3294.00	2933.00	5,82,262
December 2022	3590.00	3021.00	97,915	3590.40	3021.10	14,16,298
January 2023	3570.00	3182.45	40,221	3570.75	3176.40	6,04,246
February 2023	3889.00	3279.75	61,862	3889.00	3280.00	11,35,668
March 2023	4130.00	3617.55	59,452	4129 .00	3640.40	12,61,478

Performance of the Company's shares in comparison to broad based indices such as BSE Sensex

LINDE INDIA SHARE PRICE Vs BSE SENSEX (Average Monthly Closing)



Registrar and Transfer Agents	KFin Technologies Ltd. Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Contact person: Mr Shaibal Haripada Roy Toll free: 1800 309 4001 Email: einward.ris@kfintech.com
Share Transfer System :	During the 15 months period from 1 January 2022 to 31 March 2023, the work relating to Share Registry both in physical and electronic form was handled by KFin Technologies Ltd. In compliance with the requirement of Regulation 40 of SEBI Listing Regulations, all transfers, sub division, consolidation, renewal, exchange, etc. of shares in the Company are processed after they are approved by the Committee of Managing Director and Company Secretary, who have been delegated this power by the Board of Directors for expediting these processes. The Committee of Delegates has now been meeting at regular intervals to dispose of all matters relating to transfer, transmission, etc. Dematerialisation of shares is processed normally within a period of 10 days from the date of receipt of the Demat Request Form.
Dematerialisation of shares and Liquidity:	The Company's shares are compulsorily required to be traded in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL is INE473A01011. As on 31 March 2023, a total of 84,785,471 equity shares of the Company constituting 99.41% of the total Subscribed and Paid-up Share Capital stands dematerialized.

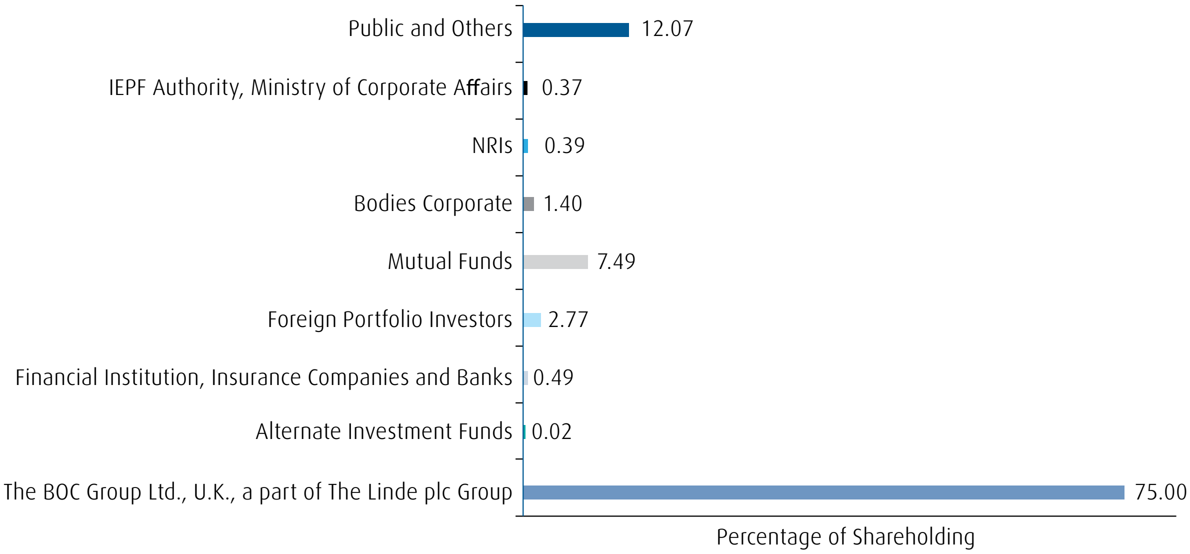
Distribution of shareholding as on 31 March 2023

Number of Shares Slab	Number of Shareholders	% of Shareholders	Number of Shares held	% of Shares held
1 - 50	32,936	74.10	395,138	0.46
51 - 100	4,015	9.03	336,132	0.39
101 - 250	3,354	7.54	579,478	0.68
251 - 500	1,909	4.29	712,876	0.84
501 - 1000	1,125	2.53	836,639	0.98
1001 - 5000	859	1.93	1,811,649	2.12
5001 - 10000	115	0.26	812,948	0.95
10001 and above	144	0.32	79,799,363	93.58
Total	44,457	100.00	85,284,223	100.00

Shareholding pattern as on 31 March 2023

Category	Number of Shares held	% of Issued & Paid up Share Capital
(A) Foreign Promoters		
The BOC Group Ltd, U.K., a part of The Linde plc Group	63,963,167	75.00
(B) Public Shareholding		
(I) Institutional Shareholding		
Financial Institutions, Insurance Companies & Banks	420,306	0.49
Foreign Portfolio Investors	2,365,406	2.77
Mutual Funds	6,383,554	7.49
Alternate Investment Funds	19,275	0.02
Sub-Total (I)	9,188,541	10.77
(II) Non-Institutional Shareholding		
Bodies Corporate	1,193,980	1.40
NRIs	329,284	0.39
IEPF Authority, Ministry of Corporate Affairs	311,440	0.37
Public & Others	10,297,811	12.07
Sub-Total (II)	12,132,515	14.23
Total	85,284,223	100.00

Shareholding Pattern as on 31 March 2023



Credit Rating

The Company does not enjoy and/or avail any bank facilities for which it was required to obtain a Credit Rating. The last Credit Rating obtained by the Company for its total bank facilities was from CRISIL (CRISIL AA with Stable outlook on its bank facilities). The rating denoted high degree of safety regarding timely servicing of financial obligations. The Company has voluntarily discontinued the credit rating with effect from 1 August 2021.

Outstanding GDRs/ADRs, Warrants or any Convertible instruments, conversion date and likely impact on equity

Not Applicable

Commodity price risk or foreign exchange risk and hedging activities

The Company's Policy is to take forward cover in respect of its major foreign exchange exposures such as for imports, repayment of borrowings & interest thereon denominated in foreign currency and export receivables. The details of foreign exchange exposures are disclosed in Note 43 of Notes to the Standalone Financial Statements for the 15 months period from 1 January 2022 to 31 March 2023.

Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

The Company was not required to maintain a demat suspense account/unclaimed suspense account as it did not have any unclaimed shares in physical form pursuant to a public or any other issue. However, in terms of the circular issued by SEBI vide no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January 2022, the Company has opened a Suspense Escrow Demat Account for the securities which shall be credited to the aforesaid account if the members fail to submit the Letter of Confirmation issued in lieu of physical share certificates along with demat request to their depository participant within 120 days of the said letter.

Plant Locations:

Aurangabad
Gut #14, (Part B), At Vill: Kamlapur,
Taluka-Gangapur
Dist: Aurangabad 431 138

Bangalore
Plot No 1& 2 (Part),
Survey No. 59/1 & 60,
Sompura Industrial Area,
Dobaspet, 1st Stage,
Bangalore 562 111

Bhadrachalam
107 tpd ASU
C/o. ITC Ltd. Paper Division,
Sarapaka Village,
Bhadradri Kothagudem,
Bhadrachalam, Telangana 507 128

Bhiwadi
Plot No. B-821, RIICO Industrial Area,
Phase II, Dist. Alwar, Bhiwadi 301 019,
Rajasthan

Dahej
110 tpd ASU
Packaged Gases and Products Plant,
Plot No. D2/19, Dahej Industrial Estate,
Taluka- Vagra, Dist. Bharuch,
Gujarat 392 130

Hyderabad
Plot No. 178 & 179, IDA
Phase-III, Pashamylaram
Sangareddy District, Hyderabad
Telengana 502 307

Jajpur
421 tpd ASU, Jindal Stainless Ltd.,
Kalinganagar Industrial Complex,
Duburi, Dist. Jajpur 755 026

Kalinganagar
2X1200 tpd ASU
C/o. Tata Steel Ltd.,
Kalinganagar Industrial Complex,
Duburi 755 026,
Dist. Jajpur, Odisha

Jamshedpur
2550 tpd ASU
1290 tpd ASU
Industrial Gases Plants,
(500 tpd)
Packaged Gases and Products Plant,
Long Tom Area, (Behind NML),
Burma Mines,
Jamshedpur 831 007

225 tpd ASU
Near "L" Town Gate,
Opposite Bari Maidan,
Sakchi, Jamshedpur 831 001

Kolkata
Plant Manufacturing Works,
P-41 Taratala Road,
Kolkata 700 088

Pune
B 16/2, MIDC Industrial Area,
Chakan, Village – Nighoje,
Tal – Khed, Dist. Pune 410 501

Rourkela
2x853 tpd ASU
Near Rourkela Steel Plant Fertilizer Gate,
Rourkela Town Unit No. 46,
P.O. Tangrapalli, Dist. Sundargarh,
Rourkela, Odisha 769 007

Selaqui
221 tpd ASU
Khasara No. 122,
MI Central Hope Town,
Twin Industrial Estate, Phase-II,
Selaqui, Dehradun 248 197

Taloja
450 tpd ASU
T-8, MIDC Industrial Area,
Taloja, Dist. Raigad,
Navi Mumbai 410 208

T-25, MIDC Industrial Area,
Taloja, Dist. Raigad,
Navi Mumbai 410 208

Trichy
Plot No. 30, 31 & 32,
SIDCO Industrial Estate, Mathur,
Dist. Pudukkottai 622 515

Uluberia
P.O. Birshibpur, Uluberia,
Dist. Howrah 711 316

Note: The Company also owns and operates small onsite plants at various customer locations.

Address for correspondence

Company Secretary
Linde India Limited,
Oxygen House,
P 43 Taratala Road,
Kolkata 700 088, India
Phone: 91-33-6602 1600
Fax: 91-33-2401 4206
E mail: investor.relations.in@linde.com

On Behalf of the Board

M J Devine
Chairman
DIN: 10042702

A Banerjee
Managing Director
DIN: 08456907

Kolkata
23 May 2023

Declaration by the Managing Director (CEO) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of
Linde India Limited

I, Abhijit Banerjee, Managing Director of Linde India Limited declare that to the best of my knowledge and belief, all the Members of the Board and senior management personnel of the Company have affirmed their respective compliance with the applicable Code of Conduct for the 15 months period from 1 January 2022 to 31 March 2023.

Abhijit Banerjee
Managing Director
DIN: 08456907

23 May 2023

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23 May 2023

To,
The Board of Directors
Linde India Limited
Oxygen House
P-43, Taratala Road
Kolkata – 700 088

Dear Sirs,

CEO/CFO Certification in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to certify that:

a. We have reviewed the financial statements and the cash flow statement for the 15 months period from 1 January 2022 to 31 March 2023 and that to the best of our knowledge and belief:
   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the 15 months period from 1 January 2022 to 31 March 2023 which are fraudulent, illegal or violative of the Company's Code of Conduct.

c. We accept the responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to such financial reporting and have found no deficiencies in the design or operation of internal controls.

d. We have indicated to the Auditors and the Audit Committee:
   i. that there were no significant changes in internal control over financial reporting during the 15 months period from 1 January 2022 to 31 March 2023;
   ii. significant changes in accounting policies during the 15 months period from 1 January 2022 to 31 March 2023 and that the same have been disclosed in the notes to the financial statements; and
   iii. that there were no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Abhijit Banerjee
Managing Director
DIN: 08456907

Neeraj Kumar Jumrani
Chief Financial Officer
Membership No.: ACA 065258

Certificate confirming non-disqualification of Directors

[Pursuant to Regulation 34(3) and Clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Linde India Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Linde India Limited (CIN: L40200WB1935PLC008184) having its Registered Office at Oxygen House, P43 Taratala Road, Kolkata – 700 088 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to our verifications including Directors' Identification Number (DIN) status at the portal of the Ministry of Corporate Affairs, as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below, has been debarred or disqualified during the 15 months period ended 31 March 2023 from being appointed or continuing as director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority:

Sr. No.	Name of Director	DIN	Designation	Date of appointment
1.	Mr. Robert John Hughes*	08493540	Non-Executive Chairman & Director	28/06/2019
2.	Mr. Michael James Devine**	10042702	Non-Executive Additional Director	15/02/2023
3.	Mr. Arun Balakrishnan	00130241	Independent Director	18/10/2011
4.	Mr. Jyotin Kantilal Mehta	00033518	Independent Director	19/11/2001
5.	Dr. Shalini Sarin	06604529	Independent Director	10/07/2018
6.	Ms. Mannu Sanganeria	09243027	Non-Executive Director	29/07/2021
7.	Mr. Abhijit Banerjee	08456907	Managing Director	07/06/2019

* Resigned with effect from close of business hours on 13 February 2023.

** Appointed as the Chairman of the Board with effect from 20 March 2023.

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

For P. SARAWAGI & ASSOCIATES
Company Secretaries

(P. K. Sarawagi)
Proprietor
Membership No. : FCS-3381
Certificate of Practice No. : 4882
Peer Review Certificate No. 1128/2021
ICSI UDIN : F003381E000354655

Place: Kolkata
Date: 23 May 2023

Certificate on compliance with the conditions of Corporate Governance

[Pursuant to Para E of Schedule V of the Securities and Exchange Board
of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Linde India Limited
CIN: L40200WB1935PLC008184
Oxygen House, P43 Taratala Road
Kolkata – 700 088

We have examined the compliance of the conditions of Corporate Governance by **Linde India Limited** (CIN: L40200WB1935PLC008184), having its Registered Office at Oxygen House, P43 Taratala Road, Kolkata – 700 088, ('the Company') for the 15 months period ended on 31 March, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and para C & D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to a review of procedures and implementation thereof, as adopted by the Company for ensuring compliance to the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Based on our examination of relevant records and to the best of our information and according to the explanations given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the 15 months period ended on 31 March, 2023.

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

For P. SARAWAGI & ASSOCIATES
Company Secretaries
P. K. Sarawagi
Proprietor
Membership No. : FCS-3381
Certificate of Practice No. : 4882
Peer Review Certificate No. 1128/2021
ICSI UDIN : F003381E000354699

Place : Kolkata
Date : 23 May 2023

Standalone Financial Statements

Standalone Balance sheet.

as at 31 March 2023

in Rupees million	Note	As at 31 Mar 2023	As at 31 Dec 2021
ASSETS			
Non-current assets			
Property, plant and equipment	5	17,080.87	18,103.94
Right-of-Use Assets	6	340.02	373.20
Capital work-in-progress	5	2,252.29	680.40
Goodwill	7A	89.34	89.34
Other Intangible assets	7B	114.12	119.06
Financial assets			
Trade receivables	13	309.21	-
Investments in joint venture & associates	8	160.98	20.00
Investments in others	8	0.69	0.66
Other financial assets	9	160.36	149.85
Non current tax assets (net)	10	330.68	146.20
Other non current assets	11	2,343.29	1,728.03
Total non- current assets (A)		**23,181.85**	**21,410.69**
Current assets			
Inventories	12	774.11	691.04
Financial assets			
Trade receivables	13	4,767.91	4,231.68
Cash and cash equivalents	14	11,866.09	9,832.93
Other balances with bank	15	48.84	46.80
Other financial assets	9	146.55	139.21
Other current assets	11	2,884.72	3,506.52
Total current assets (B)		**20,488.22**	**18,448.18**
Assets classified as held for sale (C)	16	150.00	168.12
TOTAL ASSETS (A+B+C)		43,820.07	40,026.99
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	852.84	852.84
Other equity	18	30,286.64	26,057.38
Total equity (D)		**31,139.48**	**26,910.22**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	46	206.91	230.37
Provisions	20	725.81	706.63
Deferred tax liabilities (net)	21A	2,002.58	2,990.77
Other non-current liabilities	22	403.81	435.77
Total non- current liabilities (E)		**3,339.11**	**4,363.54**
Current liabilities			
Financial liabilities			
Lease liabilities	46	13.58	12.56
Trade payables			
(A) total outstanding dues of micro and small enterprises	23	166.40	10.12
(B) total outstanding dues of creditors other than micro and small enterprises	23	5,285.17	5,867.46
Other financial liabilities	19	499.33	570.85
Provisions	20	465.90	406.01
Current Tax Liabilites (net)	21B	78.72	-
Other current liabilities	22	2,832.38	1,886.23
Total current liabilities (F)		**9,341.48**	**8,753.23**
Total liabilities (G)= (E+ F)		**12,680.59**	**13,116.77**
TOTAL EQUITY AND LIABILITIES (D+G)		43,820.07	40,026.99

The accompanying notes 1 to 54 are an integral part of the financial statements.

This is the Standalone Balance Sheet referred to in our Report of even date

For Price Waterhouse & Co Chartered Accountants LLP
(Firm Registration Number: 304026E/E300009)

PRAMIT AGRAWAL, Partner Membership Number: 099903
Place: Kolkata
Date: 23 May, 2023

For and on behalf of Board of Directors of
Linde India Limited
CIN: L40200WB1935PLC008184

M DEVINE, Chairman DIN : 10042702
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

N K JUMRANI, Chief Financial Officer ACA: 065258
A DHANUKA, Company Secretary ACS: 23872

Statement of Standalone Profit and Loss.

for the fifteen months period ended 31 March 2023

in Rupees million	Note	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
INCOME			
Revenue from operations	24	31,355.20	21,119.58
Other income	25	1,087.38	546.63
TOTAL INCOME (A)		32,442.58	21,666.21
EXPENSES			
Power and fuel		5,139.16	4,028.45
Cost of materials consumed	26	8,246.42	3,931.64
Purchase of stock-in-trade	27	4,406.98	2,911.97
Changes in inventories of finished goods & work-in-progress	28	(67.01)	26.44
Employee benefit expenses	29	638.71	502.48
Finance costs	30	56.56	30.54
Depreciation & amortisation expenses	31	2,528.65	1,813.67
Other expenses	32	5,348.91	4,252.72
TOTAL EXPENSE (B)		26,298.38	17,497.91
Profit before exceptional items and tax C = (A-B)		6,144.20	4,168.30
Exceptional Items (D)	35	-	2,944.26
Profit before tax E = (C+D)		6,144.20	7,112.56
Tax Expense			
Current tax	21A	1,806.18	1,330.76
Deferred tax	21A	(1,019.69)	642.36
TOTAL TAX EXPENSE (F)		786.49	1,973.12
PROFIT FOR THE YEAR (G)= (E-F)		5,357.71	5,139.44
Other comprehensive income			
Items that will not be reclassified to profit or loss		38.05	(16.28)
Remeasurement gains/losses on defined benefit plans		38.02	(18.93)
Fair value changes of investments in equity shares		0.03	2.65
Income tax relating to items that will not be reclassified to profit or loss		(31.49)	5.71
Items that will be reclassified to profit or loss		-	-
Fair value changes due to cash flow hedges		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR (H)		6.56	(10.57)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (I) = (G+H)		5,364.27	5,128.87
Earnings per equity share :	36		
Basic and Diluted (Rs.)		62.82	60.26

The accompanying notes 1 to 54 are an integral part of the financial statements.

This is the Standalone Profit and Loss referred to in our Report of even date

For Price Waterhouse & Co Chartered Accountants LLP
(Firm Registration Number: 304026E/E300009)

PRAMIT AGRAWAL, Partner Membership Number: 099903
Place: Kolkata
Date: 23 May, 2023

For and on behalf of Board of Directors of
Linde India Limited
CIN: L40200WB1935PLC008184

M DEVINE, Chairman DIN : 10042702
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

N K JUMRANI, Chief Financial Officer ACA: 065258
A DHANUKA, Company Secretary ACS: 23872

Statement of Standalone Changes in equity.

for the fifteen months period ended 31 March 2023

A. Equity share capital

in Rupees million	
Balance as at 1 January 2021	852.84
Changes in equity share capital during the year	-
Balance as at 31 Dec 2021	852.84
Changes in equity share capital during the period	-
Balance as at 31 Mar 2023	852.84

B. Other equity

	Reserve and Surplus			Equity instrument through other comprehensive Income	Stock Options outstanding account	Total
	Securities Premium	General Reserves	Retained Earnings			
Balance as at 1 January 2021	6,972.52	995.67	13,215.88	0.29	-	21,184.36
Profit for the year	-	-	5,139.44	-	-	5,139.44
Payment of Dividends	-	-	(255.85)	-	-	(255.85)
Other Comprehensive Income (net of taxes)	-	-	(13.22)	2.65	-	(10.57)
Balance as at 31 December 2021	6,972.52	995.67	18,086.25	2.94	-	26,057.38
Profit for the period	-	-	5,357.71	-	-	5,357.71
Payment of Dividends	-	-	(1,151.34)	-	-	(1,151.34)
Share based payment expense	-	-	-	-	16.33	16.33
Other Comprehensive Income (net of taxes)	-	-	6.53	0.03	-	6.56
Balance as at 31 March 2023	6,972.52	995.67	22,299.15	2.97	16.33	30,286.64

The accompanying notes 1 to 54 are an integral part of the financial statements.

This is the Statement of Standalone Changes in equity referred to in our Report of even date

For Price Waterhouse & Co Chartered Accountants LLP
(Firm Registration Number: 304026E/E300009)

PRAMIT AGRAWAL, Partner Membership Number: 099903
Place: Kolkata
Date: 23 May, 2023

For and on behalf of Board of Directors of
Linde India Limited
CIN: L40200WB1935PLC008184

M DEVINE, Chairman DIN : 10042702
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N K JUMRANI, Chief Financial Officer ACA: 065258
A DHANUKA, Company Secretary ACS: 23872

Statement of Standalone Cash Flow.

for the fifteen months period ended 31 March 2023

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Cash flows from operating activities		
Profit before tax for the period	6,144.20	7,112.56
Adjustments for:		
Depreciation and amortisation expenses	2,528.65	1,813.67
(Gain)/Loss on sale of Property Plant and Equipment	(113.79)	10.26
Finance costs recognised in profit or loss	56.56	30.54
Interest income on unwinding of security deposits	(1.44)	(1.02)
Interest Income on deposits	(560.77)	(189.07)
Liabilities no longer required written back	(231.93)	-
Dividend Income	(90.02)	(216.76)
Interest income on finance lease arrangement	(3.88)	(4.20)
Allowances for doubtful debts	(12.36)	(7.77)
Provision for warranties (Net)	61.03	18.68
Exceptional items	-	(2,944.26)
Operating cash flow before working capital changes	7,776.25	5,622.63
Movements in working capital:		
(Increase) / Decrease in trade receivables	(833.08)	4.18
Decrease in current and non-current financial assets	15.43	72.32
Decrease/(Increase) in other current and non-current assets	657.63	(1,671.99)
Increase in inventories	(83.08)	(5.12)
(Decrease)/Increase in Trade payables	(426.01)	1,361.83
Increase in current and non-current liabilities and provisions	1,093.41	1,257.93
Cash generated from operations	8,200.55	6,641.78
Income taxes paid (net)	(1,908.71)	(753.00)
Net cash generated from operating activities	6,291.84	5,888.78
Cash flows from investing activities		
Purchase of property, plant and equipment, capital work in progress and intangible assets	(3,631.68)	(1,367.14)
Proceeds from disposal of property, plant and equipment	70.56	16.67
Advance received for Sale of Property Plant and Equipment	67.42	-
Proceeds from disposal of Investments	-	2.38
Proceeds from disposal of Land	59.10	2,477.50
Income tax paid on profit from disposal of Land	(3.23)	(514.00)
Investment in Associates	(238.82)	-
Dividends received	81.01	189.01
Interest received	531.36	170.14
Bank deposits (having original maturity of more than 3 months)	0.06	9.70
Net cash (used in)/ generated from investing activities	(3,064.22)	984.26
Cash flows from financing activities		
Repayment of Lease Liabilities	(17.81)	(18.01)
Finance cost on Lease payment	(25.31)	(7.69)
Dividends paid to owners of the Company	(1,151.34)	(255.85)
Net cash used in financing activities	(1,194.46)	(281.55)
Net increase in cash and cash equivalents	2,033.16	6,591.49
Cash and cash equivalents at the beginning of the period	9,832.93	3,241.44
Cash and cash equivalents at the end of the period	11,866.09	9,832.93

Note: The above Statement of Cash Flow has been prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows

The accompanying notes 1 to 54 are an integral part of the financial statements.

This is the Statement of Standalone Cash Flow referred to in our Report of even date

For Price Waterhouse & Co Chartered Accountants LLP
(Firm Registration Number: 304026E/E300009)

PRAMIT AGRAWAL, Partner Membership Number: 099903
Place: Kolkata
Date: 23 May, 2023

For and on behalf of Board of Directors of
Linde India Limited
CIN: L40200WB1935PLC008184

M DEVINE, Chairman DIN : 10042702
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

N K JUMRANI, Chief Financial Officer ACA: 065258
A DHANUKA, Company Secretary ACS: 23872

Notes to Standalone Financial Statements.

for the fifteen months period ended 31 March 2023

1. Company Overview

Linde India Limited is a public company having Corporate Identity Number L40200WB1935PLC008184. It is incorporated under the Companies Act, 1956 and its shares are listed on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). The Company is primarily engaged in manufacture of industrial and medical gases and construction of cryogenic and non-cryogenic air separation plants.

The functional and presentation currency of the Company is Indian Rupee ("Rs.").

The financial statement for the year ended 31 March 2023 were approved by the Board of directors and authorized for issue on 23 May 2023.

2. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

a) Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time.

b) Basis of preparation of financial statements

These financial statements have been prepared and presented under the historical cost convention with the following exceptions:-

- certain financial assets and liabilities
- defined benefit plans – plan assets measured at fair value
- share-based payments.

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.

c) Use of estimates and critical accounting judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in note 4.

d) Current – Non-current classification

All assets and liabilities are classified into current and non-current assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in the company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is expected to be realised within 12 months after the reporting date; or
d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is due to be settled within 12 months after the reporting date; or
d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Based on the nature of manufacturing activity and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle for the purpose of current – non-current classification of assets and liabilities:

- as 12 months for the gases and related products of the Company
- as 24 months for the Project Engineering Division of the Company which are engaged in the manufacture and construction of cryogenic and non-cryogenic air separation plants.

e) Revenue recognition

A. Sale of Products

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring control of promised good to a customer. Performance obligation in respect of sale of product is satisfied at a point in time which usually occurs upon receipt of goods by the customer. At that point, the customer has full discretion over the channel and price to sell the products, and there are no unfulfilled obligations that could affect the customer's acceptance of the product.

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

B. Sale of Services

In respect of sale of services, performance obligation is satisfied over time when the entity renders services to customers. Revenue from services rendered is recognised as the services are rendered and is booked based on agreement / arrangements with the concerned parties.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

C. Revenue from Construction

Revenue from construction/project related activity is recognised as follows:

The Company generally has fixed price contracts in respect of which contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

When Contract revenue recognized till date exceed progress billing, the excess is shown as unbilled revenue. For contracts where progress billings exceed the contract revenue till date, the excess is shown as advance from customer. Amounts received before the related work is performed are included as a liability as advance from customer.

Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognized in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the Company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations).

D. Interest & Dividend Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Income from dividend is recognised when right to receive payment is established.

E. Other Income

Other Incomes are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

f) Property, Plant and equipment

Freehold Land is carried at historical cost. Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation or accumulated impairment loss, if any. Cost of item of property, plant and equipment includes purchase price, taxes, non- refundable duties, freight and other costs that are directly attributable to bringing assets to their working condition for their intended use. Expenses capitalised include applicable borrowing costs for qualifying assets, if any.

This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The residual values, useful lives and method of depreciation of Property, Plant & Equipment is reviewed at each financial year and adjusted prospectively, if any.

Spares that can be used only with particular items of plant and machinery and such usage is expected to be for more than once accounting period are capitalized.

Property, Plant and Equipment under construction are recognized as capital work in progress.

g) Provision for Decommissioning, Restoration and Similar Liabilities

The Company has liabilities related to dismantling (restoration of soil) and other related works, which are due upon the closure of certain of its production sites. Such liabilities are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology and discounted using a discount rate where the effect of time value of money is material.

Future dismantling and restoration costs discounted to net present value, are capitalised and the corresponding dismantling liability is recognized as soon as the obligation to incur such costs arises. Future dismantling costs are capitalised in property, plant and equipment as appropriate and are depreciated over the life of the related asset. The effect of the time value of money on the dismantling and restoration costs liability is recognised in the statement of profit and loss.

h) Goodwill and other Intangible assets

Goodwill arising on acquisition of business is measured at cost less any accumulated impairment loss. Goodwill is assessed at every balance sheet date for any impairment.

Intangible assets are only recognized when it is probable that associated future economic benefits would flow to the Company.

Intangibles in respect of non- compete and customer relationships acquired in a business combination are recognized at fair value at the acquisition date. They have a finite useful life and are subsequently carried at costs less accumulated amortization and accumulated impairment losses, if any.

Intangible assets in respect of software's acquired separately are measured on initial recognition at cost. Following initial recognition, they are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are derecognised either on their disposal or where no future economic benefits are expected from their use. Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Subsequent to initial recognition, intangible assets with definite useful lives are reported at cost less accumulated amortisation and accumulated impairment losses.

i) Depreciation of Property, Plant and Equipment

Depreciation is computed as per the straight line method based on the management's estimate of useful life of a property, plant and equipment. Land is not depreciated but subject to impairment. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised.

The following useful lives apply to the different types of tangible assets:

Buildings	4 – 30 Years
Plant and Equipment	10 – 42 Years
Furniture and fixtures	5 – 10 Years
Vehicles	3 -15 Years
Office Equipment	1- 15 Years

Freehold land is not depreciated.

Assets individually costing Rs. 10,000 or less are fully depreciated in the year of acquisition.

Spares capitalized are being depreciated over the useful life / remaining useful life of the plant and machinery with which such spares can be used.

Schedule II to the Companies Act, 2013 ("Schedule") prescribes the useful lives for various classes of tangible assets. For certain class of assets, based on the technical evaluation and assessment, the Company believes that the useful lives adopted by it best represent the period over which an asset is expected to be available for use. Accordingly, for these assets, the useful lives estimated by the Company are different from those prescribed in the Schedule.

The useful lives are reviewed atleast at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

j) Amortisation of Intangible assets

Intangible assets except Goodwill are amortised in Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis.

The estimated useful lives of Intangible Assets are as follows:

Software	6 Years
Non-compete fee	15 Years
Customer Relationship	25 Years

The useful lives are reviewed atleast at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

k) Impairment of non financial assets

The carrying amounts of property, plant & equipment, capital work in progress and intangible assets are reviewed at each Balance Sheet date, to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amounts are estimated at each reporting date. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). An impairment loss is recognised whenever the carrying amount of an asset or the cash generating unit exceeds the corresponding recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss recognized for goodwill is not reversed in a subsequent period unless the impairment loss was caused by a specific external event of an exceptional nature that is not expected to recur, and subsequent external events have occurred that reverse the effect of that event.

l) Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

m) Inventories

Inventories of raw materials, components and stores and spare parts are valued at lower of cost and net realisable value. Cost includes purchase price, duties and taxes (other than those subsequently recoverable by the Company from taxing authorities), freight inward and other expenditure in bringing inventories to present locations and conditions. In determining the cost, weighted average cost method is used. The carrying costs of raw materials, components and stores and spare parts 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.

Finished goods are valued at the lower of cost and net realisable value. The comparison of cost and net realisable value is made on an item by item basis. Cost comprises of direct material and labour expenses and an appropriate portion of production overheads incurred in bringing the inventory to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of the production facilities. Cost is determined on a weighted average basis.

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

Costs incurred on long term construction contracts representing general purpose item of inventories are disclosed as contract work in progress net of provision for loss.

n) Leases

The Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts.

Company as a lessee

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term. When the lease liability is remeasured due to change in contract terms, a corresponding change is made to the carrying amount of right-of-use asset, or is recorded in the profit and loss account if the carrying amount of right-of-use asset is reduced to zero.

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance lease. Such assets acquired are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Company as lessor

In respect of assets given on operating lease, the lease rental income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

o) Employee benefits

The Company's obligation towards various employee benefits have been recognized as follows:

Short term benefits

Employee benefits payable wholly within twelve months of receiving employees services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and exgratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees. The company recognizes a liability & expense for bonuses. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Post-employment Benefits

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plans

Recognition and measurement of defined benefit plans:

For defined benefit schemes i.e. gratuity, superannuation and post-retirement medical benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognized immediately in other comprehensive income. Such re-measurements are not re-classified to the Statement of Profit & Loss in the subsequent period. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The defined benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value of plan assets.

Other long-term employee benefits

Compensated absences

Liabilities recognised in respect of other long-term employee benefits such as annual leave and sick leave are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date using the projected unit credit method with actuarial valuation being carried out at each year end balance sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized based on actuarial valuation.

Termination Benefits

Termination Benefits, in the nature of voluntary retirement benefits or Termination Benefits arising from restructuring, are recognized in the Statement of Profit & Loss. The Company recognizes Termination Benefits at the earlier of the following dates:

(a) when the Company can no longer withdraw the offer of these benefits, or

(b) when the Company recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value

p) Share based Payments

Share-based compensation benefits are provided to employees under Long Term Incentive Plan which permits the grant of Non-qualified Stock Options, Restricted Stock Units and Performance stock Units. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in Employee Stock Options Outstanding Account in equity, over the period in which the performance and/or service conditions are fulfilled, in Employee Benefit Expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. Stock options which are equity settled options, is granted, subject to the terms and provisions of the Plan, to participants as determined by the Committee, in its sole discretion. Each option granted shall be evidenced by an award agreement that shall specify the option price, the term of the option, the number of shares to which the option pertains, the conditions, including any performance goals, upon which an option shall become vested and exercisable, and such other terms and conditions as the committee shall determine which are not inconsistent with the terms of the Plan. PSU and RSU which are equity settled options are granted under the 2009 Plan to senior level executives that vest over a period of three years. The exercise price is Nil. Linde Plc cross charges the amount to the Company, determined based on the fair value of the shares on vesting of PSU and RSU at the end of three years.

q) Foreign exchange transactions

Foreign exchange transactions are recorded at the exchange rate prevailing on the date of the transactions. Year-end monetary assets and liabilities denominated in foreign currencies are translated at the year-end foreign exchange rates. Non- Monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Non-monetary items, measured at fair value denominated in a foreign currency are translated using the exchange rates that existed when the fair value was determined.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income (OCI) or profit and loss are also recognised in OCI or profit and loss, respectively).

r) Provisions, contingent liabilities and contingent assets

A provision is reconised when there is a present obligation (legal or constructive) as a result of a past event that probably requires an outflow of resources and 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 discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Constructive obligation is an obligation that derives from an entity's actions where:

(a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and;

(b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are generally not recognized but are disclosed when inflow of economic benefit is probable.

Provisions, Contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

s) Income taxes

Tax expense for the year comprises current tax and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction and there is an intention to settle the asset & liability on a net basis.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case tax is also recognized in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

t) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of equity shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

u) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and 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 and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at Transaction price.

(a) Financial assets

i. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model 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.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

ii. Financial assets measured at fair value

Fair Value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these 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.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the OCI. However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit and loss. Interest earned while holding a FVTOCI instrument is reported as interest income using the effective interest rate method.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Fair value through the statement of profit and loss (FVTPL)

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss. Fair value changes are recognized in the Statement of Profit & Loss at each reporting period.

iii. Cash and bank balances

Cash and bank balances consist of:

(i) Cash and cash equivalents - which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

(ii) Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

iv. Impairment of financial assets:

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenues which are not fair valued through profit or loss. The Company recognises life time expected credit losses for all trade receivables and unbilled revenues that do not constitute a financing transaction. For all other financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition. The Impairment losses and reversals are recognized in the Statement of Profit & Loss.

v. De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a collateralised borrowing for the proceeds received. On de-recognition of a Financial Asset (except for Financial Assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit & Loss.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The differences between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit & Loss.

Derivative financial instruments and hedge accounting

The Company enters into forward contracts and principal and interest swap contracts to hedge its risks associated with foreign currency and variable interest rate fluctuations related to existing financial assets and liabilities, certain firm commitments and forecasted transactions. These derivative contracts are being considered as cash flow hedge.

The use of hedging instruments is governed by the Company's policies approved by the Board of Directors. The Company does not use these contracts for trading or speculative purposes.

To designate a forward contract/ swap contract as an effective hedge, management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract whether the contract is effective in offsetting cash flows attributable to the hedged risk.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The Company adopts hedge accounting for forward and interest rate contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item or transaction and the nature of the risk being hedged. At inception each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the statement of profit and loss. The effective portion is recognized in Other Comprehensive Income.

When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives

- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in equity and the ineffective portion is taken to the statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

  In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise.

  Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognized in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

v) Investment in Joint Ventures & associates

A joint venture is a joint arrangement whereby the parties have the joint control of the arrangement and have rights to the net assets to joint arrangement. Joint control is contractually agreed sharing of control of an arrangement which exists only when decisions about the relevant activity require unanimous consent of the parties sharing control. Investment in joint ventures are carried at cost less accumulated impairment, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

An associate is an entity over which the investor has significant influence. Investment in associates are carried at fair value through Profit & Loss.

w) Onerous contracts

A provision for onerous contracts is recognised in the statement of profit and loss when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

x) Non-current assets held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

y) Business Combinations

Business Combinations are accounted for using the acquisition method of accounting, except for common control transactions which are accounted using the pooling of interest method that is accounted at carrying values. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities assumed at their acquisition date i.e. the date on which control is acquired.

Goodwill arising on business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the fair value of net identifiable assets acquired and liabilities assumed. After initial recognition, Goodwill is tested for impairment annually and measured at cost less any accumulated impairment losses if any.

z) Segment Reporting

Operating Segments are reported in a manner consistent with the information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance based on product and services.

aa) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded of to the nearest million as per the requirement of Schedule III.

3. Recent Accounting Pronouncements

Ministry of Corporate Affairs (“MCA”) has notified the following new amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2023.

Amendment to Ind AS 1 “Presentation of Financial Instruments”

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information is material if, together with other information can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Amendment to Ind AS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities use measurement techniques and inputs to develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Amendment to Ind AS 12 “Income Taxes”

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. Company does not expect this amendment to have any significant impact in its financial statements.

3.1 New and amended standards adopted by the Company

The Ministry of Corporate Affairs, vide notification dated 23rd March, 2022, had notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards with effect from 1st April, 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

4. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting principles which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

(i) Estimation of Expected Useful Lives of Property, Plant and Equipment and Intangible assets

The estimated useful lives of property, plant and equipment and intangible assets are based on a number of factors including the effects of obsolescence, demand, competition, historical experience, internal assessment of user experience and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset. The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period

(ii) Accounting for revenue from contracts wherein company satisfies performance obligation and recognises revenue over time

For contracts wherein performance obligation are satisfied over time, an entity recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation, in order to depict an entity's performance in transferring control of goods or services promised to a customer. This method requires estimates of the total revenue and total costs of the contract, as well as measurement of progress achieved to date as a proportion of the total work to be performed. This involves determination of margin to be recognised on the contract, which are dependent on the total costs to complete contracts, that is, the cost incurred till date and estimation of future cost to complete the contract and price variations etc. This estimation involves exercise of significant judgement by the management in making cost forecasts considering future activities to be carried out in the contract, and the related assumptions etc. Experience reduces but does not eliminate the risk that estimates may change significantly.

(iii) Employee Benefits (Estimation of Defined Benefit Obligations)

Post-employment benefits like gratuity, post-retirement medical benefits etc represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. These obligations are determined using actuarial valuation, which requires the Company to make assumptions regarding variables such as discount rate' salary growth rates. Mortality rates etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

(iv) Litigations, Claims and Contingencies

Due to the uncertainty inherent in matters relating to litigation, claims and contingencies, it is often difficult to predict the final outcome. The cases and claims against the Company often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. The Company consults with legal counsel and other experts on matters related to specific litigations where considered necessary. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimatedContingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(v) Warranties

The Company's product warranty obligations and estimations thereof are determined using historical information of claims received up to the year end and the management's estimate of further liability to be incurred in this regard during the warranty period Any changes in such trends can materially affect warranty expenses.

(vi) Asset Restoration cost

The Company estimates the expected amount that it may have to incur towards liabilities related to restoration of soil and other related works, which are due upon the closure of certain of its onsite plants. Such liabilities are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology and discounted using an appropriate discount rate. Any change in estimates will affect the amount of obligation towards asset restoration cost.

5. Property, plant and equipment and Capital work- in- progress

in Rupees million	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total Tangible Assets	Capital work in progress	Total tangible assets including capital work in progress
I.Cost/Deemed cost as at 1 January 2022	193.39	991.26	26,919.46	42.68	63.84	165.97	28,376.60	680.40	29,057.00
Additions	0.09	30.67	1,276.12	-	144.36	33.17	1,484.41	3,043.77	4,528.18
Disposals	-	-	(287.83)	(0.33)	(6.27)	(1.85)	(296.28)	-	(296.28)
Assets capitalised during the period	-	-	-	-	-	-	-	(1,471.88)	(1,471.88)
Cost /Deemed cost as at 31 March 2023	193.48	1,021.93	27,907.75	42.35	201.93	197.29	29,564.73	2,252.29	31,817.02
II. Accumulated depreciation and impairment									
Balances as at 1 January 2022	-	310.09	9,742.93	30.37	40.29	148.98	10,272.66	-	10,272.66
Depreciation expense for the period	-	67.24	2,385.59	4.59	21.29	12.90	2,491.61	-	2,491.61
Disposals	-	-	(271.96)	(0.33)	(6.27)	(1.85)	(280.41)	-	(280.41)
Balances as at 31 March 2023	-	377.33	11,856.56	34.63	55.31	160.03	12,483.86	-	12,483.86
Net carrying value as at 31 March 2023	193.48	644.60	16,051.19	7.72	146.62	37.26	17,080.87	2,252.29	19,333.16
Net carrying value as at 1 January 2021	193.39	681.17	17,176.53	12.31	23.55	16.99	18,103.94	680.40	18,784.34

5. Property, plant and equipment and Capital work- in- progress

in Rupees million	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total Tangible Assets	Capital work in progress	Total tangible assets including capital work in progress
I.Cost/Deemed cost as at 1 January 2021	212.27	968.33	26,767.42	45.83	48.94	166.76	28,209.55	170.58	28,380.13
Additions	-	35.48	344.47	-	16.13	0.56	396.64	1,114.08	1,510.72
Disposals	(0.76)	(12.55)	(192.43)	(3.15)	(1.23)	(1.35)	(211.47)	-	(211.47)
Assets capitalised during the year	-	-	-	-	-	-	-	(604.26)	(604.26)
Classified as Assets held for sale (refer note 16)	(18.12)	-	-	-	-	-	(18.12)	-	(18.12)
Cost /Deemed cost as at 31 December 2021	193.39	991.26	26,919.46	42.68	63.84	165.97	28,376.60	680.40	29,057.00
II. Accumulated depreciation and impairment									
Balances as at 1 January 2021	-	270.34	8,067.30	28.93	22.20	136.01	8,524.78	-	8,524.78
Depreciation expense for the year	-	43.42	1,713.94	4.37	19.24	14.28	1,795.25	-	1,795.25
Disposals	-	(3.67)	(38.31)	(2.93)	(1.15)	(1.31)	(47.37)	-	(47.37)
Balances as at 31 December 2021	-	310.09	9,742.93	30.37	40.29	148.98	10,272.66	-	10,272.66
Net carrying value as at 31 December 2021	193.39	681.17	17,176.53	12.31	23.55	16.99	18,103.94	680.40	18,784.34
Net carrying value as at 1 January 2021	212.27	697.99	18,700.12	16.90	26.74	30.75	19,684.77	170.58	19,855.35

The above includes following assets given on operating lease:

in Rupees million	Buildings	Plant and Equipment	Total Tangible Assets
Cost/Deemed cost as at 1 January 2022	421.16	19,249.27	19,670.43
Accumulated Depreciation	202.03	8,415.77	8,617.80
Net carrying value as at 31 March 2023	219.13	10,833.50	11,052.63
Depreciation expense for the period	24.70	1,559.03	1,583.73
Cost/Deemed cost as at 1 January 2021	421.16	19,249.27	19,670.43
Accumulated Depreciation	177.33	6,856.74	7,034.07
Net carrying value as at 31 December 2021	243.83	12,392.53	12,636.36
Depreciation expense for the year	19.78	1,154.09	1,173.87

a) Refer Note 38 for disclosure of contractual commitments

b) Refer Note 16 for Asset held on sale

a) Ageing of Capital work-in-progress (CWIP) as at 31 March 2023

Particulars	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	737.40	1,469.08	38.44	7.37	2,252.29
	737.40	1,469.08	38.44	7.37	2,252.29

Ageing of Capital work-in-progress (CWIP) as at 31 December 2021

Particulars	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	546.54	86.45	40.34	7.07	680.40
	546.54	86.45	40.34	7.07	680.40

There are no projects that are temporarily suspended as at the end of the current or previous reporting period.

b) Completion schedule for capital work-in-progress whose completion is overdue compared to its original plan: as at 31 March 2023

Particulars	To be completed in				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
Customer Installations	163.80	78.26	15.28	-	257.34
Others including distribution & operation equipments	724.93	119.54	25.25	0.66	870.38
	888.73	197.80	40.53	0.66	1,127.72

Completion schedule for capital work-in-progress whose completion is overdue compared to its original plan: as at 31 December 2021

Particulars	To be completed in				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
Customer Installations	38.05	65.03	9.27	5.12	117.47
Others including distribution & operation equipments	174.55	93.56	23.13	5.07	296.31
	212.60	158.59	32.40	10.19	413.78

Note:

i) Capital work in progress mainly comprises of new air separation plants being constructed in India

ii) There is no capital work in progress which has exceeded its cost compared to its orignal plan

6. Right of Use Asset

in Rupees million	Land	Buildings	Plant and Equipment	Total
I. Cost/Deemed cost as at 1 January 2022	171.32	43.29	190.57	405.18
Additions	-	-	-	-
Disposals	-	(9.72)	-	(9.72)
Cost/Deemed cost as at 31 March 2023	171.32	33.57	190.57	395.46
II. Accumulated amortisation				
Balances as at 1 January 2022	9.68	18.13	4.17	31.98
Amortisation expense for the period	5.91	7.09	16.67	29.67
Disposals	-	(6.21)	-	(6.21)
Balances as at 31 March 2023	15.59	19.01	20.84	55.44
Net carrying value as at 31 March 2023	155.73	14.56	169.73	340.02
Net carrying value as at 1 January 2022	161.64	25.16	186.40	373.20

in Rupees million	Land	Buildings	Plant and Equipment	Total
I. Cost/Deemed cost as at 1 January 2021	171.32	43.29	6.35	220.96
Additions	-	-	184.22	184.22
Disposals	-	-	-	-
Cost/Deemed cost as at 31 December 2021	171.32	43.29	190.57	405.18
II. Accumulated amortisation				
Balances as at 1 January 2021	4.96	11.14	1.06	17.16
Amortisation expense for the year	4.72	6.99	3.11	14.82
Disposals	-	-	-	-
Balances as at 31 December 2021	9.68	18.13	4.17	31.98
Net carrying value as at 31 December 2021	161.64	25.16	186.40	373.20
Net carrying value as at 1 January 2021	166.36	32.15	5.29	203.80

Note:

i) During the period ended 31 March 2023, total cash outflow in respect of leases amounted to **Rs 43.12 million** (31 Dec 2021: Rs. 25.70 million)

ii) Extension and termination options are included in the Company's lease contract. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The extension and termination options held are exerciseable by mutual consent of both the lessor and the lessee.

7A. Goodwill

in Rupees million	Total
I. Cost/Deemed cost as at 1 January 2022	89.34
Additions	-
Cost/Deemed cost as at 31 March 2023	89.34
II. Accumulated Impairment loss	
Balances as at 1 January 2022	-
Impairment losses for the period	-
Balances as at 31 March 2023	-
Net carrying value as at 31 March 2023	89.34
Net carrying value as at 1 January 2022	89.34

in Rupees million	Total
I. Cost/Deemed cost as at 1 January 2021	-
Additions	89.34
Cost/Deemed cost as at 31 December 2021	89.34
II. Accumulated Impairment loss	
Balances as at 1 January 2021	-
Impairment losses for the year	-
Balances as at 31 December 2021	-
Net carrying value as at 31 December 2021	89.34
Net carrying value as at 1 January 2021	-

7B. Other Intangible assets

in Rupees million	Software	Non-Compete Fees	Customer Relationship	Total Other Intangible assets
I. Cost/Deemed cost as at 1 January 2022	25.98	19.25	107.49	152.72
Additions	2.43	-	-	2.43
Disposals	-	-	-	-
Cost/Deemed cost as at 31 March 2023	28.41	19.25	107.49	155.15
II. Accumulated amortisation and impairment				
Balances as at 1 January 2022	25.28	7.65	0.73	33.66
Amortisation expense for the period	0.85	1.02	5.50	7.37
Disposals	-	-	-	-
Balances as at 31 March 2023	26.13	8.67	6.23	41.03
Net carrying value as at 31 March 2023	2.28	10.58	101.26	114.12
Net carrying value as at 1 January 2022	0.70	11.60	106.76	119.06

in Rupees million	Software	Non-Compete Fees	Customer Relationship	Total Other Intangible assets
I. Cost/Deemed cost as at 1 January 2021	25.88	7.51	-	33.39
Additions	0.10	11.74	107.49	119.33
Disposals	-	-	-	-
Cost/Deemed cost as at 31 December 2021	25.98	19.25	107.49	152.72
II. Accumulated amortisation and impairment				
Balances as at 1 January 2021	22.55	7.51	-	30.06
Amortisation expense for the year	2.73	0.14	0.73	3.60
Disposals	-	-	-	-
Balances as at 31 December 2021	25.28	7.65	0.73	33.66
Net carrying value as at 31 December 2021	0.70	11.60	106.76	119.06
Net carrying value as at 1 January 2021	3.33	-	-	3.33

8. Investments

in Rupees million	As at 31 Mar 2023 Quoted	As at 31 Mar 2023 Unquoted	As at 31 Dec 2021 Quoted	As at 31 Dec 2021 Unquoted
Non-Current				
Investments in equity instruments				
A. Joint venture (classified at cost)				
Linde South Asia Services Private Ltd. (formerly known as LSAS Services Private Limited)	-	20.00	-	20.00
2,000,000 equity shares of Rs. 10 each				
(31 Dec 2021: 2,000,000 equity shares of Rs. 10 each)				
	-	20.00	-	20.00
B. Associates* (classified at fair value through Profit & Loss)				
Avaada Mhyavat Private Limited	-	113.75	-	-
11,375,000 equity shares of Rs. 10 each				
(31 Dec 2021: NIL)				
FPEL Surya Private Limited	-	16.79	-	-
1,539,000 equity shares of Rs. 10 each				
(31 Dec 2021: NIL)				
FP Solar Shakti Private Limited	-	10.44	-	-
1,650,465 equity shares of Rs. 10 each				
(31 Dec 2021: NIL)				
	-	140.98	-	-
C. Others (classified at fair value through OCI)				
JSW Steel Limited	0.69	-	0.66	-
1,000 shares of Re. 1 each				
(31 Dec 2021: 1,000 shares of Re. 1 each)				
	0.69	-	0.66	-
	0.69	160.98	0.66	20.00
Additional Information				
Aggregate amount of quoted investments and market value thereof	0.69	-	0.66	-
Aggregate amount of unquoted investments	-	160.98		20.00

*Considering the terms and conditions these investments under IND AS 28 are classified as associates.

** There is no impairment of investments during the period & the previous year

9. Other financial assets

in Rupees million	As at 31 Mar 2023 Non current	As at 31 Mar 2023 Current	As at 31 Dec 2021 Non current	As at 31 Dec 2021 Current
Unsecured, considered good unless otherwise stated				
Loans to employees	-	0.23	-	4.39
Receivables for recovery of expenses*	-	20.83	-	105.17
Security deposits	156.78	32.78	138.99	0.44
Finance lease receivable	3.58	5.99	10.86	4.44
Earmarked deposits with banks#		28.66	-	-
Interest accrued on bank deposit	-	58.06	-	24.77
	160.36	146.55	149.85	139.21

Represents earnest money deposits held with banks

* Refer Note 45 for Related Party Balances

10. Non Current tax assets (net)

in Rupees million		As at 31 Mar 2023		As at 31 Dec 2021
Advance tax [net of provision for income tax of Rs.5,448.64 Million (31 December 2021: Rs. 5,068.14 Million)]		330.68		146.20
		330.68		146.20

11. Other assets

in Rupees million		As at 31 Mar 2023		As at 31 Dec 2021
	Non current	Current	Non current	Current
Unsecured, considered good unless otherwise stated				
Capital advances	632.80	-	77.49	-
Advances for supplies/ services*	-	877.10	-	1,263.75
Advance with public bodies and tax authorities				
Customs, excise, sales tax,etc.	414.62	-	366.57	-
GST receivable	-	703.23	-	412.38
Unbilled revenue*	1,188.94	1,215.64	1,276.64	1,816.34
Prepaid expenses	106.93	81.33	7.33	11.09
Advance to employees	-	7.42	-	2.96
	2,343.29	2,884.72	1,728.03	3,506.52

* Refer Note 45 for Related Party Balances

12. Inventories

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Raw materials	16.63	9.98
Work in progress	22.16	17.16
Finished goods	320.99	258.98
Stores and spares	414.33	404.92
	774.11	691.04

i) Finished goods Includes Goods in Transit of **NIL** (31 Dec 2021: Rs.2.03 million)

ii) The value of stores and spares above is after providing for slow moving and obsolete spares of **Rs. 198.99 million** (31 Dec 2021: Rs. 189.17 million)

13. Trade receivables

in Rupees million	As at 31 Mar 2023 Non current	As at 31 Mar 2023 Current	As at 31 Dec 2021 Non current	As at 31 Dec 2021 Current
Trade receivables from contract with customer - billed	309.21	4,104.05	-	3,384.31
Trade receivables from contract with customer - unbilled	-	285.52	-	273.11
Trade receivables from contract with customer -related party (Refer note 45)	-	544.71	-	800.23
Less : Loss allowance	-	166.37	-	225.97
Total receivables	**309.21**	**4,767.91**	**-**	**4,231.68**
Break up of security details				
Unsecured, considered good	309.21	4,896.22	-	4,426.98
which have significant increase in credit risk	-	-	-	-
Credit Impaired	-	38.06	-	30.67
Unsecured, considered doubtful	-	-	-	-
Less: Allowance for credit losses	-	166.37	-	225.97
	309.21	4,767.91	-	4,231.68

The Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on trade receivables. For this purpose, the Company follows a "simplified approach" for recognition of impairment loss allowance on the trade receivable balances. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Further, need for incremental provisions have been evaluated on a case to case basis considering forward-looking information based on the financial health of a customer if available, litigations/disputes etc.

a) Ageing of trade receivables as at 31 March 2023

Particulars	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables								
considered good - unsecured	285.52	3,660.76	933.37	134.40	8.77	4.45	135.55	5,162.82
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
considered good - unsecured	-	-	0.54	-	-	-	42.08	42.62
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	0.07	0.05	-	1.46	2.50	33.97	38.05
	285.52	**3,660.83**	**933.96**	**134.40**	**10.23**	**6.95**	**211.60**	**5,243.49**

Ageing of trade receivables as at 31 December 2021

Particulars	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables								
considered good - unsecured	273.12	2,815.17	613.37	390.07	78.20	38.84	153.84	4,362.61
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
considered good - unsecured	-	0.07	13.83	0.70	2.50	5.19	42.08	64.37
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	14.37	8.95	1.85	1.01	4.49	30.67
	273.12	**2,815.24**	**641.57**	**399.72**	**82.55**	**45.04**	**200.41**	**4,457.65**

b) Loss allowances as at 31 March 2023

Particulars	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed – considered good	285.52	3,660.76	933.37	134.40	8.77	4.45	135.55	5,162.82
Disputed - considered good	-	-	0.54	-	-	-	42.08	42.62
Disputed - credit impaired	-	0.07	0.05	-	1.46	2.50	33.97	38.05
	285.52	3,660.83	933.96	134.40	10.23	6.95	211.60	5,243.49
Expected Loss rate	0%	0%	1%	1%	80%	19%	68%	
Expected Credit Losses - Trade receivables	-		11.19	0.80	8.14	1.32	144.92	166.37
Carrying amount Trade receivables (net of impairments)	**285.52**	**3,660.83**	**922.77**	**133.60**	**2.09**	**5.63**	**66.68**	**5,077.12**

Loss allowances as at 31 December 2021

Particulars	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed – considered good	273.12	2,815.17	613.37	390.07	78.20	38.84	153.84	4,362.61
Disputed - considered good	-	0.07	13.83	0.70	2.50	5.19	42.08	64.37
Disputed - credit impaired	-	-	14.37	8.95	1.85	1.01	4.49	30.67
	273.12	2,815.24	641.57	399.72	82.55	45.04	200.41	4,457.65
Expected Loss rate	0%	0%	4%	1%	85%	67%	49%	
Expected Credit Losses - Trade receivables	-	-	23.90	3.69	69.84	30.38	98.16	225.97
Carrying amount Trade receivables (net of impairments)	**273.12**	**2,815.24**	**617.67**	**396.03**	**12.71**	**14.66**	**102.25**	**4,231.68**

c) Movements in allowance for expected credit losses of receivables is as below:

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Balance at the beginning of the year	225.97	332.36
Allowances made during the year	47.58	98.87
Release to statement of profit and loss	(59.77)	(106.64)
Bad debt written off	(47.41)	(98.62)
Balance at the end of the year	166.37	225.97

d) There is no outstanding debts due from directors or other officers of the Company.

14. Cash and cash equivalents

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Cash on hand	-	-
Balances with banks		
In Current account	239.09	80.43
In Deposit account - Original maturity of 3 months or less	11,627.00	9,752.50
	11,866.09	9,832.93

15. Other balances with bank

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
In Deposit accounts		
Original maturity more than 3 months#	-	1.87
Earmarked balances with banks		
Escrow Account fixed deposits##	41.46	39.36
Unclaimed dividend accounts	7.38	5.57
	48.84	46.80

these deposits have been lien marked against earnest money deposits

these deposits are payable on satisfaction of terms and conditions

16. Assets classified as held for sale

The Assets classified as held for sale comprises of Investment in Joint Venture company, Bellary Oxygen Company Private Limited (Belloxy). Land at Parwada, Vizag appearing as asset held for sale in previous year was disposed off during the current period.

The major classes of assets held for sale are as below:

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Assets classified as held for sale:		
Land	-	18.12
Investments in joint venture	150.00	150.00
	150.00	168.12

17. Equity Share Capital

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Authorised:		
86,000,000 Equity Shares of Rs. 10 each	860.00	860.00
(31 Dec 2021: 86,000,000 Equity Shares of Rs. 10 each)		
	860.00	860.00
Issued:		
85,286,209 Equity Shares of Rs. 10 each	852.86	852.86
(31 Dec 2021: 85,286,209 Equity Shares of Rs. 10 each)		
Subscribed and paid up :		
85,284,223 Equity Shares of Rs. 10 each	852.84	852.84
(31 Dec 2021: 85,284,223 Equity Shares of Rs. 10 each)		
	852.84	852.84

i) The movement in subscribed and paid up share capital is as below:

in Rupees million	As at 31 Mar 2023		As at 31 Dec 2021	
		Share capital		Share capital
	No of Shares	Amount in Rs. Million	No of Shares	Amount in Rs. Million
Balance at the beginning of the period	8,52,84,223	852.84	8,52,84,223	852.84
Shares issued during the period	-	-	-	-
Balance at the end of the period	8,52,84,223	852.84	8,52,84,223	852.84

ii) Shares held by holding company/ utlimate holding company/ or their subsidiaries/associates

in Rupees million	As at 31 Mar 2023		As at 31 Dec 2021	
	No of Shares	Amount in Rs. Million	No of Shares	Amount in Rs. Million
The BOC Group Ltd,U.K., holding company	6,39,63,167	639.63	6,39,63,167	639.63

iii) Particulars of promoters shareholding

in Rupees million	As at 31 Mar 2023			As at 31 Dec 2021		
	No of Shares	% of total shares in class	% of change during the period	No of Shares	% of total shares in class	% of change during the year
The BOC Group Ltd,U.K., holding company	6,39,63,167	75.00%	-	6,39,63,167	75.00%	-

iv) Particulars of shareholders holding more than 5% shares in the company is as below:

in Rupees million	As at 31 Mar 2023		As at 31 Dec 2021	
	No of Shares	% of total shares in class	No of Shares	% of total shares in class
The BOC Group Ltd,U.K., holding company	6,39,63,167	75.00%	6,39,63,167	75.00%
Nippon Life India Trustee Limited (Formerly Reliance Capital Trustee Co. Ltd)	31,34,261	3.68%	47,86,233	5.61%

v) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividend and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholders on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

18. Other equity

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Securities Premium	6,972.52	6,972.52
General Reserve	995.67	995.67
Retained Earnings	22,299.15	18,086.25
Share based payment expense	16.33	-
Equity instruments through other comprehensive income	2.97	2.94
	30,286.64	26,057.38

18 A. Movement in other equity

in Rupees million	Reserve and Surplus			Equity instruments through other comprehensive Income	Stock Options outstanding account	Total
	Securities Premium	General Reserve	Retained Earnings			
Balance as at 1 January 2021	6,972.52	995.67	13,215.88	0.29	-	21,184.36
Profit for the year	-	-	5,139.44	-	-	5,139.44
Payment of Dividends*	-	-	(255.85)	-	-	(255.85)
Other Comprehensive Income (net of taxes)	-	-	(13.22)	2.65	-	(10.57)
Balance as at 31 Dec 2021	6,972.52	995.67	18,086.25	2.94	-	26,057.38
Profit for the period	-	-	5,357.71	-	-	5,357.71
Payment of Dividends**	-	-	(1,151.34)	-	-	(1,151.34)
Share based payment expense	-	-	-	-	16.33	16.33
Other Comprehensive Income (net of taxes)	-	-	6.53	0.03	-	6.56
Balance as at 31 Mar 2023	6,972.52	995.67	22,299.15	2.97	16.33	30,286.64

* Dividend of Rs 3.00 per share

** Dividend of Rs 13.50 per share including a special dividend of Rs 10.00 per share

18 B. Nature and purpose of reserves

(a) Securities Premium

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the "Companies Act").

(b) General Reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in general reserve during the current and previous period.

(c) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(d) Equity instruments through Other Comprehensive Income

This Reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments measured at fair value through Other Comrehensive Income, net of amounts reclassified, If any, to Retained Earnings when those instruments are disposed off.

19. Other financial liabilities

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
	Current	Current
Unclaimed dividends	7.38	5.57
Creditors for capital supplies and services	359.40	437.69
Security deposits from customers	123.83	118.83
Other employee liabilities	8.72	8.76
	499.33	570.85

20. Provisions

in Rupees million	As at 31 Mar 2023		As at 31 Dec 2021	
	Non current	Current	Non current	Current
Provision for employee benefits				
Retirement benefits obligations (refer note 39)				
Gratuity	52.31	-	54.57	-
Pension	71.38	-	109.89	-
Post retirement medical benefit	126.35	13.09	153.44	14.09
Other long-term employee benefits				
Compensated absences	56.92	9.46	31.20	4.66
Other provisions				
Asset restoration obligations [refer note (a)]	418.85	-	357.53	-
Provision for warranties [refer note (b)]	-	253.21	-	191.26
Provision for contingencies [refer note (c)]	-	190.14	-	196.00
	725.81	465.90	706.63	406.01

20.1 Movement in other provisions

in Rupees million	Asset restoration obligations	Provision for warranties	Provision for contingencies
Balance as at 1 January 2022	357.53	191.26	196.00
Add: Provision during the period*	61.32	87.05	-
Less: Utilised during the period	-	25.10	5.12
Less: Reversed during the period	-	-	0.74
Balance as at 31 March 2023	418.85	253.21	190.14
Balance as at 1 January 2021	335.86	175.21	197.06
Add: Provision during the year*	21.67	39.47	-
Less: Utilised during the year	-	23.42	1.06
Less: Reversed during the year	-	-	-
Balance as at 31 December 2021	357.53	191.26	196.00

* Includes **Rs 31.25 millions** (31 Dec 2021: Rs 22.85 millions) on account of unwinding of interest for asset restoration obligation.

(a) Provision for asset restoration obligation

Provision is towards estimated cost to be incurred on dismantling of plants at the customers' site upon expiry of the tenure of the contractual agreement with the customer. Such cost has been capitalised under plant and machinery.

(b) Provision for warranties

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing and past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period which ranges from 6 months to 2 years.

(c) Provision for contingencies

Provision is the estimate towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for. The timing and probability of outflow and expected reimbursements, if any with regard to these matters depend on the ultimate outcome of the legal process or settlement/ conclusion of the matter with relevant authorities/ customers/ vendors etc.

21A. Deferred tax liabilities (net)

a) Movement of deferred tax

in Rupees million	As at 1 Jan 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 Mar 2023
Deferred tax liabilities				
Depreciation & amortisation	3,444.64	(1,095.30)	-	2,349.34
Finance income from finance lease arrangement	5.33	(3.26)	-	2.07
	3,449.97	(1,098.56)	-	2,351.41
Deferred tax assets				
Employee benefits	124.86	(10.50)	(31.49)	82.87
Provisions for doubtful receivables, contingencies , warranties	302.19	(149.66)	-	152.53
Interest expense on unwinding of asset restoration cost	19.87	85.55	-	105.42
Interest expense on Lease Liability	11.15	(3.92)	-	7.23
Others	1.13	(0.35)	-	0.78
	459.20	(78.87)	(31.49)	348.83
	2,990.77	(1,019.69)	31.49	2,002.58

in Rupees million	As at 1 Jan 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	As 31 Dec 2021
Deferred tax liabilities				
Depreciation & amortisation	3,558.18	(113.54)	-	3,444.64
Finance income from finance lease arrangement	6.55	(1.22)	-	5.33
	3,564.73	(114.76)	-	3,449.97
Deferred tax assets				
Employee benefits	118.50	(0.26)	6.62	124.86
Provisions for doubtful receivables, contingencies , warranties	309.91	(7.72)	-	302.19
Interest expense on unwinding of asset restoration cost	14.57	5.30	-	19.87
Interest expense on Lease Liability	11.23	(0.08)	-	11.15
Others	2.04	-	(0.91)	1.13
	456.25	(2.76)	5.71	459.20
Minimum Alternate Tax Credit Entitlement	754.35	(754.35)	-	-
	2,354.13	642.36	(5.71)	2,990.77

b) Income tax expense

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Current Tax		
Current income tax charge	1,806.18	1,330.76
Deferred Tax		
In respect of current year origination and reversal of temporary differences	(1,019.69)	642.36
	786.49	1,973.12

c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Profit Before tax	**6,144.20**	**7,112.56**
Statutory Income Tax Rate	**25.170%**	**34.944%**
Income Tax using the Company's domestic Tax rate	**1,546.50**	**2,485.41**
Tax Effect of :		
- Income Exempt from Tax/Items not deductible	17.63	2.69
- Effect of Income Taxable at lower rate (Capital Gains)	(6.42)	(507.94)
- Effect of change in tax rate on opening deferred tax	(838.06)	-
- Income from House Property	(2.70)	(2.03)
- Others	69.54	(5.01)
	786.49	1,973.12

The Company has elected to exercise lower tax rate of 22% (effective rate of 25.168%) permitted under the new tax rate regime under section 115BAA of the Income tax Act, 1961 for the tax year beginning 1 April 2022 and accordingly the income tax has been computed based on this new rate. Also, based on this new rate, the deferred tax assets & liabilities have been re-measured using this lower rate.

21B. Current tax liabilities (net)

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Provision for Income Taxes [Net of Advance tax of **Rs.1320.89 Million** (31 December 2021: Rs. NIL)]	78.72	-
	78.72	-

22. Other liabilities

in Rupees million	As at 31 Mar 2023		As at 31 Dec 2021	
	Non current*	Current	Non current*	Current
Advances received from customers	403.81	2,298.79	435.77	1,630.77
Advances received for Sale of Property Plant and Equipment	-	120.42	-	53.00
Statutory dues				
Tax deducted and collected at source	-	101.28	-	34.80
GST payable	-	308.54	-	163.36
Others	-	3.35	-	4.30
	403.81	2,832.38	435.77	1,886.23

* This includes advance received from customer for an indirect tax case, mobilisation advance from customers which are adjustable over a period, etc.

23. Trade payables

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Creditors for supplies and services		
Dues to micro and small enterprises	166.40	10.12
Others	5,285.17	5,867.46
	5,451.57	**5,877.58**

a) Ageing of trade payables as at 31 March 2023

Particulars	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	79.83	85.58	0.94	0.05	0.00	166.40
Others	3,150.23	15.01	1,733.13	198.40	32.76	155.64	5,285.17
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
	3,150.23	**94.84**	**1,818.71**	**199.34**	**32.81**	**155.64**	**5,451.57**

Ageing of trade payable as at 31 December 2021							
Particulars	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	9.65	0.47	-	-	10.12
Others	2,242.29	575.13	2,333.20	189.34	158.46	369.04	5,867.46
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
	2,242.29	**575.13**	**2,342.85**	**189.81**	**158.46**	**369.04**	**5,877.58**

The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprise Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the company. The disclosure relating to Micro and Small Enterprises are as follows :

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
(i) (a) The principal amount remaining unpaid to supplier as at the end of the period	166.40	10.12
(b) The interest due thereon remaining unpaid to supplier as at the end of the period	1.72	0.24
(ii) The amount of interest paid by buyer in terms of section 16 , along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
(a) Principle	580.19	59.46
(b) Interest	-	-
(iii) Interest paid, other than under section 16 of MSMED Act, to suppliers reqistered under the MSMED Act, beyond the appointed date during the period	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under this act	3.12	0.65
(v) The amount of interest accrued during the period and remaining unpaid at the end of the accounting year	6.34	1.50
(vi) The amount of further interest remaining due & payable even in the suceeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	0.12

24. Revenue from operations

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Sale of Gases & related products	**18,937.58**	**14,076.05**
Sale of Products	18,937.58	14,076.05
Sale of Services	**3,045.43**	**2,437.81**
Sale of Services including facility fee, lease rentals, Operation & Maintenance charges	3,045.43	2,437.81
Revenue from construction contracts	**9,354.99**	**4,601.52**
Vessels, plant and other project engineering contracts	9,354.99	4,601.52
Other operating income	**17.20**	**4.20**
Export Incentive	13.32	-
Interest income on finance lease arrangement	3.88	4.20
	31,355.20	**21,119.58**

25. Other income

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Rent	24.24	19.40
Dividend income from Asset held for Sale	90.00	216.76
Dividend income from Investment classified at fair value through OCI	0.02	-
Profit on disposal of property, plant and equipment (Net)	113.79	-
Liabilities no longer required written back	231.93	-
Miscellaneous income	65.19	120.38
Interest income on unwinding of security deposits	1.44	1.02
Interest income on deposits	560.77	189.07
	1,087.38	**546.63**

26. Cost of materials consumed

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Inventory of materials at the begining of the period	9.98	7.98
Purchases	8,253.07	3,933.64
Less : Inventory of materials at the end of the period	16.63	9.98
	8,246.42	**3,931.64**

27. Purchase of stock in trade

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Air separation unit gases	3,116.46	1,999.15
Other cylinder gases	1,290.52	911.60
Others	-	1.22
	4,406.98	**2,911.97**

28.Changes in inventories of finished goods & work-in-progress

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Inventories at the beginning of the period		
Finished goods	258.98	283.94
Work-in-progress	17.16	18.64
	276.14	302.58
Less: Inventories at the closing of the period		
Finished goods	320.99	258.98
Work-in-progress	22.16	17.16
	343.15	276.14
	(67.01)	26.44

29. Employee benefit expenses

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Salaries and wages, including bonus	548.40	428.22
Share base payments	47.43	-
Contribution to provident and other funds*	19.38	60.04
Workmen and staff welfare expenses	23.50	14.22
	638.71	502.48

*Includes contribution to Provident fund, NPS, Gratuity & Pension funds

During the fifteen months period ended, the Company recognised an amount of Rs. 59.43 million (31 Dec 2021: Rs. 38.49 million) as remuneration to Key Managerial Personnel. The details of such remuneration is as below:

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Short term employee benefits	57.68	37.13
Post employment benefits	1.75	1.36
	59.43	38.49

The remuneration to key managerial personnel does not include provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Company as a whole.

30. Finance costs

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Interest expense on unwinding of asset restoration cost	31.25	22.85
Interest expense on lease liability	25.31	7.69
	56.56	30.54

31. Depreciation and amortisation expense

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Depreciation & impairment on tangible assets	2,491.61	1,795.25
Depreciation on Right of Use assets	29.67	14.82
Amortisation of intangible assets	7.37	3.60
	2,528.65	1,813.67

32. Other expenses

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Consumption of stores and spares	84.63	78.85
Repairs to buildings	25.21	5.49
Repairs to plant and machinery	377.00	260.12
Repairs to others	41.85	17.44
Freight and handling charges	1,586.53	1,318.26
Rent	14.48	15.22
Gain on foreign exchange transactions & translations(Net)	(2.19)	(0.95)
Rates and taxes	1.55	1.37
Insurance charges	127.70	101.29
Allowances for doubtful debts	(12.36)	(7.77)
Contract job expenses	294.92	345.14
Loss on disposal of property, plant and equipment (Net)	-	10.26
Provision for warranties (Net)	61.03	18.68
Technical support fees	541.02	464.29
Travelling expenses	108.54	28.31
Telephone and communication expenses	21.13	15.59
Support Services cost	1,607.57	1,308.88
Sitting fees & commission to independent directors	10.77	7.43
Corporate social responsibility expenditure (refer note 33)	45.16	32.58
Miscellaneous expenses (refer note 34)	414.37	232.24
	5,348.91	4,252.72

33. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 a CSR committee has been formed by the Company. The funds were utilised throughout the year on the activities which are specified in Schedule VII of the Act. The utilisation is done by way of direct contribution towards aforesaid activities.

Disclosures in relation to corporate social responsibility expenditure

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
(i) Amount spent during the period		
Promoting and preventive healthcare	9.34	6.92
Promoting education including special education and employment enhancing vocational fees	10.55	3.14
Environment	5.30	0.42
Livelihood (skill development)	-	2.50
Road Safety	17.16	-
Others	2.81	19.60
Total	**45.16**	**32.58**

	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
(ii) Amount required to be spent by the Company as per Section 135 of the Act	50.07	27.00

(iii) Details of CSR expenditure under Section 135(5) of the Act

Particulars	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Balance (shortfall) / excess spent as at 1 January 2022/ 1 January 2021	0.08	(5.66)
Amount required to be spent during the period	50.07	27.00
Amount spent during the period	45.16	32.58
Balance of (shortfall)/ excess as at 31 March 2023/ 31 December 2021	(4.83)	0.08

(iv) The Company has ongoing CSR projects which are expected to be completed by end of August 2023, balance of shortfall has been deposited in Linde India Limited unspent CSR Account as of 31 March 2023.

34. Miscellaneous expenses under note 32 include auditors' remuneration

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Auditor's remuneration and out-of-pocket expenses		
Audit fee	2.70	2.20
Limited reviews	2.10	2.15
Tax audit fee	1.00	1.00
Other Services	0.15	0.22
Reimbursement of expenses	0.75	0.25
	6.70	5.82

35. Exceptional Items

Exceptional item in 2021 represents profit of Rs 2,944.26 million on disposal of land and buildings pertaining to its closed factory (Packaged Gases Plant) at 48/1 Diamond Harbour Road, Kolkata.

36. Earnings per share

The following table reflects profit and shares data used in the computation of basic and diluted earnings per share.

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
a) Profit after tax	5,357.71	5,139.44
Profit attributable to ordinary shareholders - for basic and diluted EPS	5,357.71	5,139.44
	Nos	Nos
b) Weighted average number of Ordinary Shares for basic and diluted EPS	85,284,223	85,284,223
c) Nominal value of ordinary shares (Rs.)	10.00	10.00
d) Basic and diluted earnings per ordinary share (Rs.)	62.82	60.26

37. Contingent liabilities

Contingencies:

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following are the description of claims and assertions where a potential loss is possible, but not probable.

Litigations :

The Company is involved in legal proceedings, both as plaintiff and as defendant. There are claims which the Company does not believe to be of material nature other than those described below.

a) Excise Duty and Service Tax

As at 31 March 2023, there were pending litigations for various matters relating to excise duty and service tax involving demands of **Rs. 333.59 million** (31 Dec 2021 : Rs. 304.62 million).

b) Sales Tax /VAT

As at 31 March 2023, the sales tax demands that are being contested by the Company amounted to **Rs. 676.65 million** (31 Dec 2021: Rs. 650.82 million). The details of demand for more than Rs. 100 million are as follows:

As on 31st March 2023 Sales tax Authority have raised demand of **Rs. 508.54 million** for the period 2008-09 to 2017-18 (31 Dec 2021: Rs. 508.54 million) on account of non levy of sales tax for facility charges recovered from a customer for providing pipeline infrastructure at their premises. Company has contested the demand and currently the matter is at appellate stage. It is reimbursable by the customer as per agreement.

c) Income Tax

As at 31 March 2023, there were pending matters / cases relating to Income Tax for various assessment years aggregating to **Rs. 150.00 million** (31 Dec 2021: Rs. 150.00 million).

d) Other claims

Other amounts for which the Company may contingently be liable aggregate to **Rs. 6.60 million** (31 Dec 2021: Rs. 6.60 million).

It is not practicable for the company to estimate the closure of the above mentioned issues and the consequential timings of cash flows, if any, in respect of the above.

38. Commitments

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Estimated capital commitments [Net of Advance of **Rs. NIL** (31 December 2021: Rs. NIL)] remaining to be executed and not provided for	364.45	459.08

39. Employee Benefits

i) Defined Contribution Plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Pension Fund, which is a defined contribution plan. The company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The only amounts included in the balance sheet are those relating to the prior months contribution that are not due to be paid until the end of reporting period. The amount recognised as an expense towards contribution to Provident Fund and Pension Fund for the year aggregated to **Rs. 26.89 million** (31 Dec 2021: Rs. 22.08 million).

ii) Defined Benefit Plan

Description of Plans

Retirement Benefit Plans of the Company include Gratuity, Pension and Post retirement medical benefits.

Gratuity & Pension

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. Gratuity is funded through direct investment under Indian Oxygen Limited Executive and Graded-Staff Gratuity Funds. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

Investments of Pension for some employees are managed through Company managed trust.

Post retirement medical benefits

Under this unfunded scheme, employees of the Company receive medical benefits subject to certain limits on amounts of benefits, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. The Company accounts for the liability for post-retirement medical scheme based on an actuarial valuation.

Governance

The trustees of the trust fund are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. They are tasked with periodic reviews of the solvency of the fund and play a role in the long-term investment, risk management and funding strategy.

Investment Strategy

The Company's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. The plans expose the Company to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and inflation risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/highquality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Inflation risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The Company has developed policy guidelines for the allocation of assets to different classes with the objective of controlling risk and maintaining the right balance between risk and long term returns in order to limit the cost to the Company of the benefits provided.

Pension and Gratuity

A. Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans (funded) at the Balance Sheet date were:

in Rupees million	Pension		Gratuity	
	As at 31 Mar 2023	As at 31 Dec 2021	As at 31 Mar 2023	As at 31 Dec 2021
Present value of obligation	94.23	131.46	98.21	101.26
Fair value of plan assets	(22.85)	(21.57)	(45.90)	(46.69)
Liability recognised in the Balance Sheet (Refer note 20)	71.38	109.89	52.31	54.57

39. Employee Benefits (contd...)

B. Movements in Present Value of Obligation and Fair Value of Plan Assets

in Rupees million		Pension			Gratuity	
	Plan Assets	Plan Obligation	Total	Plan Assets	Plan Obligation	Total
As at 1 January, 2021	21.24	97.00	75.76	47.15	95.16	48.01
Current service cost	-	3.34	3.34	-	6.38	6.38
Past service cost	-	13.27	13.27	-	-	-
Interest cost	-	5.14	5.14		4.94	4.94
Interest income	1.17	-	(1.17)	2.59	-	(2.59)
Actuarial (gain)/loss arising from changes in demographic assumptions	-		-	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(0.18)	(2.51)	(2.33)	(0.02)	(2.93)	(2.91)
Actuarial (gain)/loss arising from experience adjustments	-	15.88	15.88	-	4.56	4.56
Employer contributions		-	-	3.82	-	(3.82)
Benefit payments	(0.66)	(0.66)	-	(6.85)	(6.85)	(0.00)
As at 31st December, 2021	21.57	131.46	109.89	46.69	101.26	54.57
As at 1 January, 2022	21.57	131.46	109.89	46.69	101.26	54.57
Current service cost	-	4.24	4.24		7.72	7.72
Past service cost	-	(11.80)	(11.80)	-		-
Interest cost	-	7.87	7.87	-	6.95	6.95
Interest income	1.28	-	(1.28)	4.63	-	(4.63)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	(11.69)	(11.69)		(5.99)	(5.99)
Actuarial (gain)/loss arising from experience adjustments	-	(25.85)	(25.85)	-	5.51	5.51
Employer contributions	-	-	-	11.82	-	(11.82)
Benefit payments	-	-	-	(17.24)	(17.24)	-
As at 31st March, 2023	22.85	94.23	71.38	45.90	98.21	52.31

C. Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

in Rupees million		Pension		Gratuity
	As at 31 Mar 2023	As at 31 Dec 2021	As at 31 Mar 2023	As at 31 Dec 2021
Employee Benefit Expenses :				
Current service cost	4.24	3.34	7.72	6.38
Past service cost	(11.80)	13.27	-	-
Finance costs :				
Interest cost	7.87	5.14	6.95	4.94
Interest income	(1.28)	(1.17)	(4.63)	(2.59)
Net impact on profit (before tax)	(0.97)	20.58	10.04	8.73
Remeasurement of the net defined benefit plans:				
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(11.69)	(2.33)	(5.99)	(2.91)
Actuarial (gain)/loss arising from experience adjustments	(25.85)	15.88	5.51	4.56
Net impact on other comprehensive income (before tax)	(37.54)	13.56	(0.48)	1.65

The pension expense and gratuity expense have been recognised in Contribution to Provident and Other Funds in Note no 29.

39. Employee Benefits (contd...)

D. Assets

The fair value of plan assets at the Balance Sheet date for the defined benefit plans for each category are as follows:

in Rupees million		Pension		Gratuity
	As at 31 Mar 2023	As at 31 Dec 2021	As at 31 Mar 2023	As at 31 Dec 2021
Quoted				
Government debt instruments	-	-	-	-
Other debt instruments	-	-	-	-
Total (A)	-	-	-	-
Unquoted				
Cash including special deposits	-	-	-	-
Others (Including assets under Scheme of Insurance)	22.85	21.57	45.90	46.69
Total (B)	**22.85**	**21.57**	**45.90**	**46.69**
Total (A+B)	**22.85**	**21.57**	**45.90**	**46.69**

None of the plans invest directly in any property occupied by the Company or any financial securities issued by the Company.

E. Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Financial Assumptions		Pension		Gratuity
	As at 31 Mar 2023	As at 31 Dec 2021	As at 31 Mar 2023	As at 31 Dec 2021
Discount rate (per annum)	7.10%	6.00%	7.10%	6.00%
Salary escalation rate (per annum)	8.00%	8.00%	8.00%	8.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Demographic Assumptions

Mortality in Service: Indian Assured Lives Mortality (2006-08) Ultimate table.

F. Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the key assumptions are:

			Pension		Gratuity
		Change in assumption (%)	Change in Plan Obligation	Change in assumption (%)	Change in Plan Obligation
Discount rate (per annum)	Increase	0.5	(1.62)	0.5	(2.50)
	Decrease	0.5	1.69	0.5	2.64
Salary escalation rate (per annum)	Increase	0.5	0.43	0.5	1.97
	Decrease	0.5	(0.48)	0.5	(1.97)

The sensitivity analysis above have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

39. Employee Benefits (contd...)

G. Weighted average duration and expected employers contribution for each of the defined benefit plan

in Rupees million	Weighted average duration (yrs.)		Expected Employers Contribution for the next year
	As at 31 Mar 2023	As at 31 Dec 2021	
Gratuity	4-7	4-7	14.03
Pension	4	4	17.33

H. Expected Benefit Payments

	Pension	Gratuity
31 March 2024	17.33	14.03
31 March 2025	14.45	11.04
31 March 2026	19.02	16.53
31 March 2027	12.44	12.38
31 March 2028	8.27	16.47
31 March 2029 to 31 March 2033	45.00	58.56

Post Retirement Medical Benefits

The following table sets out the amounts recognised in the financial statements in respect of post retirement medical benefits and other defined benefit plans.

A. Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans (unfunded) at the Balance Sheet date were:

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Present value of obligation	139.44	167.53
Liability recognised in the Balance Sheet (Refer note 20)		
Retirement benefits obligations		
Current	13.09	14.09
Non Current	126.35	153.44

B. Movements in Present Value of Obligation and Fair Value of Plan Assets

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Change in defined benefit obligation:		
Obligation at the beginning of the period	167.53	164.84
Current service cost	-	-
Past Service cost	-	-
Interest cost	12.65	8.67
Remeasurement (gain)/loss	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	-	19.51
Actuarial (gain)/loss arising from changes in financial assumptions	(6.97)	(7.87)
Actuarial (gain)/loss arising from experience adjustments	(23.27)	(7.90)
Benefits paid	(10.50)	(9.72)
Obligation at the end of the period	139.44	167.53

39. Employee Benefits (contd...)

C. Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Employee Benefit Expenses:		
Current service cost	-	-
Past service cost	-	-
Finance costs :		
Interest cost	12.65	8.67
Net impact on profit (before tax)	12.65	8.67
Remeasurement of the net defined benefit plans:		
Actuarial (gain)/loss arising from changes in demographic assumptions	-	19.51
Actuarial (gain)/loss arising from changes in financial assumptions	(6.97)	(7.87)
Actuarial (gain)/loss arising from experience adjustments	(23.27)	(7.90)
Net impact on other comprehensive income (before tax)	(30.24)	3.74

The post retirement medical benefit expenses have been recognised in Workmen and staff welfare expenses in Note 29.

D. Assumptions

With the objective of presenting the plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Financial Assumptions	As at 31 Mar 2023	As at 31 Dec 2021
Discount rate (per annum)	7.10%	6.00%
Medical Inflation rate (per annum)	8.00%	8.00%

Demographic Assumptions

Mortality in Service: LIC Annuitants (1996-98) Ultimate

E. Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

		Change in assumption (%)	Change in Plan Obligation (%)
Discount rate (per annum)	Increase	0.5%	(5.35)
	Decrease	0.5%	5.76
Medical Inflation rate (per annum)	Increase	0.5%	-
	Decrease	0.5%	-

The sensitivity analysis above have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

F. Weighted average duration and expected employers contribution

	Weighted average duration (yrs.)		Expected Employers Contribution for the next year
	As at 31 Mar 2023	As at 31 Dec 2021	
Post retirement medical benefit	8	9	NA

39. Employee Benefits (contd...)

G. Expected Benefit Payments

31 March 2024	13.54
31 March 2025	13.36
31 March 2026	13.15
31 March 2027	12.91
31 March 2028	12.66
31 March 2029 to 31 March 2033	59.03

40. Information in accordance with the requirements of the Ind AS 115 on Revenue from Contract with Customers

(i) Movement in Contract balances

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Gross amount due from customers for contracts in progress - Contract Assets	2,404.58	3,092.98
Gross amount due to customers for contracts in progress - Contract Liabilities	2,471.51	1,835.44
Net Contract Balance	(66.93)	1,257.54

(ii) Revenue recognised during the period from opening balance of contract liabilities amounts to **Rs 834.03 million** (31 Dec 2021: Rs 386.67 million).

(iii) Revenue recognised during the period from the performance obligation satisfied in previous year (arising out of contract modifications) amounts to **Rs 238.61 million** (31 Dec 2021: Rs 91.32 million).

(iv) Reconciliation of contracted price with revenue during the period for contracts where revenue is recognised over time

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Opening contracted price of orders as at 1 January 2022/1 January 2021	11,191.39	10,547.38
Increase due to additional consideration recognised as per contractual terms	1,285.21	369.45
Fresh orders/change orders received (net)	12,081.11	4,876.08
Total Revenue recognised during the period	9,354.99	4,601.52
Closing contracted price of orders as at 31 March 2023/ 31 December 2021	15,202.72	11,191.39

41. Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and long term and short term bank borrowings on need basis, if any. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents.

The Company does not have any debt as at the reporting date and hence debt to equity ratio is Nil.

42. Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 (u).

a) Category-wise classification of Financial instruments

The carrying value and fair values of financial instruments by class are as follows:

	Year ended 31 Mar 2023	Year ended 31 Dec 2021
FINANCIAL ASSETS		
Financial assets measured at cost		
Investments in equity instruments	20.00	20.00
Cash and bank balances	11,914.93	9,879.73
Trade receivables	5,077.12	4,231.68
Other financial assets	306.91	289.06
Financial assets measured at fair value through profit & loss		
Investments in equity instruments	140.98	-
Financial assets measured at fair value through other comprehensive income		
Investments in equity instruments	0.69	0.66
	17,460.63	14,421.13

FINANCIAL LIABILITIES

Financial liabilities measured at cost		
Lease liabilities	220.49	242.93
Trade payables	5,451.57	5,877.58
Other financial liabilities	499.33	570.85
	6,171.39	6,691.36

b) Fair value measurements

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

a) Level 1: Quoted prices for identical instruments in an active market -

This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

b) Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs -

This level of hierarchy includes financial assets and liabilities, measured using inputs other than the quoted prices included within level 1 that are observables for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company's derivative contracts.

c) Level 3: Inputs which are not based on observable market data -

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor they are based on available market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

As at 31st March 2023	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Investment in equity shares	0.69	-	140.98	141.67

As at 31st December 2021	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Investment in equity shares	0.66	-	-	0.66

i) The Company has assessed that cash and bank balances, trade receivables, trade payables, and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

iii) There have been no transfers between Level 1, level 2 and Level 3 for the periods ended 31 March 2023 and 31 December 2021.

43. Financial Risk Management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(i) Market risk:
Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

a) Market risk - Foreign currency exchange rate risk:
The Company enter into sale and purchase transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Management monitors the movement in foreign currency and the Company's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Company takes remidial measures to hedge foreign currency risk through various measures like derivative instruments etc.

43. Financial Risk Management (Contd...)

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period, not hedged by derivative instruments, are as follows:

in Rupees million	Monetary assets		Monetary liabilities	
	As at 31 Mar 2023	As at 31 Dec 2021	As at 31 Mar 2023	As at 31 Dec 2021
US Dollar in India	73.96	56.83	178.18	58.40
Euro in India	62.59	0.92	335.59	244.49
GBP in India	-	-	0.92	18.30
SGD in India	-	0.50	-	137.16
JPY in India	-	-	2.92	2.91
BDT in India	-	-	-	1.32
MYR in India	-	-	0.16	-

A 10% appreciation/depreciation of the foreign currencies with respect to functional currency of the Company would result in an decrease/ increase in the Company's net profit before tax by approximately Rs.38.12 million (31 Dec 2021 : Rs.40.43 million).

b) Market risk - Interest rate risk: Interest rate risk is the risk that the fair value or future cashflow of a financial instrument will fluctuate because of change in market interest rate. The company does not have any borrowings, hence there is no exposure to interest rate risk.

ii) Counter-party credit risk:
Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Financial instruments that are subject to concentrations of credit risk, principally consist of Cash & bank balances, trade receivables, finance receivables and loans and advances. Company regularly reviews the credit limits of the customers and takes action to reduce the risk. Further diverse and large customer bases also reduces the risk. All trade receivables are reviewed and assessed for default on quarterly basis.

The credit risk on bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings.

iii) Liquidity risk:
Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks and inter-company borrowing. The Company invests its surplus funds in bank fixed deposits, which carry no or low market risk. The Company's liquidity position remains strong at Rs. 11,914.93 million as at 31 March 2023 (31 December 2021 : Rs. 9,879.73 million), comprising of cash and cash equivalents and other balances with banks (including earmarked balances).

The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

in Rupees million	Carrying Amount	Undiscounted amount payable			Total
		within 1 year	Between 1 to 5 years	More than 5 years	
As at 31st March 2023					
Non-derivative liabilities					
Lease liabilities	220.49	32.56	114.00	230.42	376.98
Trade payables	5,451.57	5,451.57	-	-	5,451.57
Security deposits	123.83	123.83	-	-	123.83
Unpaid dividend	7.38	7.38	-	-	7.38
Creditors for capital supplies and services	359.40	359.40	-	-	359.40
Other employee liabilities	8.72	8.72	-	-	8.72
As at 31st December 2021					
Non-derivative liabilities					
Lease liabilities	242.93	33.13	130.65	261.39	425.17
Trade payables	5,877.58	5,877.58	-	-	5,877.58
Security deposits	118.83	118.83	-	-	118.83
Unpaid dividend	5.57	5.57	-	-	5.57
Creditors for capital supplies and services	437.69	-	-	-	-
Other Payables	8.76	8.76	-	-	8.76

44. Segment information

a) **Gases, related products & services from which reportable segments derive their revenues:**

Information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance is based on product and services. Accordingly, management of the company has chosen to organise the segment based on its products and services as follows:

- Gases, Related Products & Services
- Project Engineering

The company's chief operating decision maker is the Managing Director.
Segment revenue, results, assets and liabilities include the respective amounts that are directly attributable to or can be allocated on a reasonable basis to each of the segments. Revenue, expenses, assets and liabilities which relate to the enterprise as a whole and are neither attributable to nor can be allocated on a reasonable basis to each of the segments, have been disclosed as unallocable.
The company's financing and income taxes are managed on a company level and are not allocated to operating segments.
Inter-segment revenue has been recognised at cost.

b) Information about business segment

in Rupees million	As at 31 Mar 2023			As at 31 Dec 2021		
	Gases, related products & services	Project Engineering	Total	Gases, related products & services	Project Engineering	Total
1 **Segment revenue**						
External revenue	22,136.01	9,201.99	31,338.00	16,606.49	4,508.89	21,115.38
- India	21,955.12	8,794.36		16,444.40	4,480.58	
- Outside India	180.89	407.63		162.09	28.31	
Other Operating Income	7.82	9.38	17.20	4.20	-	4.20
Total external revenue (A)	22,143.83	9,211.37	31,355.20	16,610.69	4,508.89	21,119.58
Inter segment revenue (B)	-	1,249.39	1,249.39	-	69.85	69.85
Total segment revenue (A) + (B)	**22,143.83**	**10,460.76**	**32,604.59**	**16,610.69**	**4,578.74**	**21,189.43**
Less: Inter segment elimination			(1,249.39)			(69.85)
Total revenue			**31,355.20**			**21,119.58**
2 **Segment results**	**5,320.69**	**1,114.38**	**6,435.07**	**3,871.15**	**484.60**	**4,355.75**
Finance cost - unallocable			(56.56)			(30.54)
Other unallocable expenses			(234.31)			(156.91)
Profit before tax and exceptional item			6,144.20			4,168.30
Exceptional item			-			2,944.26
Profit before tax			**6,144.20**			**7,112.56**
Less: Tax expense			786.49			1,973.12
Profit after tax			**5,357.71**			**5,139.44**
3 **Segment assets**	25,099.00	4,330.89	29,429.89	24,592.61	4,173.25	28,765.86
Unallocated assets			14,390.18			11,261.13
Total assets			**43,820.07**			**40,026.99**
4 **Segment liabilities**	5,773.95	3,596.19	9,370.14	6,256.94	3,143.55	9,400.49
Unallocable liabilities			3,310.45			3,716.28
Total liabilities			**12,680.59**			**13,116.77**

c) Other segment information

in Rupees million	Year ended 31 Mar 2023			Year ended 31 Dec 2021		
	Gases, related products & services	Project Engineering	Unallocable	Gases, related products & services	Project Engineering	Unallocable
Depreciation and amortisation	2,490.28	7.29	31.08	1,780.62	8.04	25.01
Addition to PPE, ROU and Intangible assets (net of disposal)	1,446.28	(0.02)	21.21	412.73	9.20	1.19

d) Revenue from major products
(i) Gases, related products & services

in Rupees million	Year ended 31 Mar 2023	Year ended 31 Dec 2021
Sale of Products	18,937.58	14,076.05
Sale of Services including facility fee, lease rentals, Operation & Maintenance charges	3,045.43	2,437.81
Others	153.00	92.63
(ii) Project Engineering		
Construction contracts	9,201.99	4,508.89
	31,338.00	21,115.38

The Company operates predominantly within the geographical limits of India. In the company's operations within India, there is no significant difference in the economic condition prevailing in the various states of India. Revenue from sales to customers outside India is less than 10% in the current and previous period. Hence, disclosures on geographical information are not applicable.

e) Information about major customers
Included in the revenue arising from direct sales of products and services of Rs. 31,338.00 million (31 Dec 2021: Rs. 21,115.38 million) are revenues of approximately Rs. 8,845.99 million (31 Dec 2021: Rs. 5,468.21 million) which arose from the sale to company's top two customers. No other single customer contributed 10% or more of the company's revenue for fifteen months period ended 31 Mar 2023 & year ended 31 Dec 2021.

Note: The accounting policies of the reportable segments are same as of the companies accouting policies. Refer Note 2 (z)

45. Information on Related Party Disclosure

A) List of Related Parties

i) Ultimate Holding Company
Linde Public Limited Company, Ireland

ii) Intermediate Holding Company
Linde GmbH (Formerly Linde AG, Germany)

iii) Holding Company
The BOC Group Limited, United Kingdom (Wholly owned Subsidiary of Linde GmbH)

iv) Fellow Subsidiaries and Joint Venture with whom transactions have taken place during the period

(a) Located outside India

Fellow Subsidiaries	Country
Linde Bangladesh Limited	Bangladesh
Linde Engineering (Dalian) Co. Ltd.	China
Linde Kryotechnik AG	Switzerland
Cryostar SAS	France
Linde Indonesia	Indonesia
Linde Korea Company Limited	Korea
Linde Malaysia Sdn. Bhd.	Malaysia
Linde Business Solution Center Philippines INC	Philippines
Linde Philippines Inc	Philippines
Linde Gas Singapore Pte Limited	Singapore
Linde Gas Asia Pte Limited	Singapore
Ceylon Oxygen Limited	Srilanka
BOC Limited - ENG (Gases)	United Kingdom
Linde (Thailand) Public Company Limited	Thailand
Linde Gas Vietnam Limited	Vietnam
Praxair Inc. (formerly Linde Global Helium)	United States of America
Linde Gáz Magyarország Zrt.	Hungary
Linde Electronics & Specialty Gases (Suzhou) Co Ltd.	China
Linde Engineering (Hangzhou) Co. Ltd.	China
AGA AB Corporate Staffs	Sweden
Linde Gas North America LLC E&S Gas	United States of America
Linde Gas & Equipment, Inc. (formerly Praxair Distribution, Inc.)	Bethlehem
LUCK STREAM Co., Ltd.	Taiwan
Linde Inc.	United States of America

(b) Located in India

Fellow Subsidiaries
Linde Global Support Services Private Limited
Linde Engineering India Private Limited
Praxair India Private Limited

Joint Ventures
Bellary Oxygen Company Private Limited
Linde South Asia Services Private Limited (Formerly LSAS Services Private Limited)

Associates
Avaada MHYavat Private Limited w.e.f. 20th April 2022
FPEL Surya Private Limited w.ef. 23rd February 2023
FP Solar Shakti Private Limited w.ef. 14th March 2023

v) Employee Funds

Linde India Limited Executive Staff Pension Fund
Linde India Limited Executive Staff Gratuity Fund
Linde India Limited Graded Staff Pension Fund
Linde India Limited Non Executive Staff Gratuity Fund

vi) Trust Fund

Linde Foundation

vii) Key Management Personnel of the Company

Mr. A Banerjee, Managing Director
Mr. A Saraf, Chief Financial Officer till 31 May 2022
Mr. N K Jumrani, Chief Financial Officer w.e.f. 9th August 2022
Mr. P Marda, Director -Corporate Affairs & Company Secretary till 28 February 2023
Mr. A Dhanuka, Company Secretary w.e.f. 1st March 2023
Mr. A Balakrishnan, Independent Director
Mr. J Mehta, Independent Director
Dr. S Sarin,Independent Director

B) Transactions with Related Parties during the period

Nature of Transaction	Ultimate Holding Company	Intermediate Holding Company	Holding Company	Fellow Subsidiaries	Joint Ventures	Associates	Employee Funds	Key Management Personnel
Purchase of Goods - Gases, Equipment/Spares	-	396.17	-	3,019.95	-	-	-	-
	-	(97.08)	-	(1,902.00)	(81.14)	-	-	-
Purchase of Property, Plant and Equipment / Capital Spares	-	246.96		82.24		-	-	-
	-	(13.99)	-	(46.06)	-	-	-	-
Investment in associates	-	-	-	-	-	238.58	-	-
	-	-	-	-	-	-	-	-
Support Services cost-Engineering Assistance, IS Charges, Business Support & Technical Assistance	-	479.63	10.32	325.71	1,403.96	-	-	-
	-	(153.33)	(464.29)	(170.23)	(1,086.78)	-	-	-
Service Charges Received	-	-		12.63		-	-	-
	-	-	-	(9.14)	-	-	-	-
Liabilities no longer required written back	-	119.52	-	62.41		-	-	-
	-	-	-	-	-	-	-	-
Revenue from Operations	-	226.92	-	6,071.32		-	-	-
	-	(159.05)	-	(3,290.92)	(14.18)	-	-	-
Sale of Property, Plant and Equipment	-	-	-	44.05	-	-	-	-
	-	-	-	(50.98)	-	-	-	-
Recovery of Personnel Cost	19.46	-		84.78	-	-	-	-
	-	-	-	(31.16)	(8.82)	-	-	-
Rent Income	-	-		23.70		-	-	-
	-	-	-	(18.96)	-	-	-	-
Managerial Remuneration	-	-	-	-		-	-	59.43
	-	-	-	-	-	-	-	(38.49)

Nature of Transaction	Ultimate Holding Company	Intermediate Holding Company	Holding Company	Fellow Subsidiaries	Joint Ventures	Associates	Employee Funds	Key Management Personnel
Dividend Paid			863.50			-	-	-
	-	-	(191.89)	-	-	-	-	-
Dividend Income	-	-	-	-	90.00	-	-	-
	-	-	-	-	(216.75)	-	-	-
Contribution to Funds						-	22.34	-
	-	-	-	-	-	-	(3.82)	-
Outstanding balances:								
- Receivables								
- Trade Receivables	-	62.21	-	482.47	-	-	-	-
	-	(0.56)	-	(799.67)	-	-	-	-
-Receivable for recovery of expenses	-	-	-	5.73	0.03	-	-	-
	-	-	(3.95)	(80.18)	-	-	-	-
- Trade Payables	9.08	801.13	-	443.07	107.89	-	-	-
	-	(206.11)	(370.45)	(910.70)	(208.86)	-	-	-
- Advances for Supplies/ Services	-	295.95	-	110.68	-	-	-	-
	-	(61.55)	-	(140.18)	(20.00)	-	-	-
- Advance received from Customer	-	23.35	-	129.63	-	-	-	-
	-	(106.72)	-	(14.64)	-	-	-	-
- Unbilled Revenue	-	6.87	-	334.83	-	-	-	-
	-	(151.93)	-	(36.31)	-	-	-	-

Note: (i) The figures in brackets pertains to previous year.

(ii) The company's related party transactions during the period ended 31 March 2023 and 31 December 2021 are at arms length and in the ordinary couse of business. Outstanding balances at the year-end are unsecured and interest-free and settlement occurs in cash. All related party balances at year end are considered good and no provision for bad or doubtful debts due from related parties was made during the current period / prior year.

(iii) The details of the remuneration to independent directors has been specified in Note 32.

C) Disclosure of material transactions between Company and Related Parties during the year included in Fellow Subsidiary:

Nature of Transaction	Year ended 31 Mar 2023	Year ended 31 Dec 2021
Purchase of Goods - Gases, Equipment/Spares		
Praxair India Private Limited	1,518.68	939.02
Praxair, Inc (formerly Linde Global Helium)	1,043.43	723.72
Purchase of Property, Plant and Equipment / Capital Spares		
Praxair India Private Limited	19.08	29.23
Praxair, Inc (formerly Linde Global Helium)	-	4.89
Linde Engineering India Private Limited	16.67	8.29
Support Services cost- Engineering Assistance, IS Charges, Business Support & Technical Assistance		
Linde Gas Asia Pte Limited	56.93	139.58
Linde Business Solution Center Philippines INC	17.52	17.75
Service Charges Received		
Linde Global Support Services Pvt. Ltd.	12.63	9.14
Revenue from Operations/ Recharges		
Praxair India Private Limited	5,734.12	3,083.65
Sale of Property, Plant and Equipment		
Praxair India Private Limited	29.86	50.98
Recovery of Personnel Cost		
Linde Global Support Services Pvt. Ltd.	4.12	3.18
Linde Gas Asia Pte Limited	2.27	7.60
Linde Indonesia	12.71	3.62
Linde Philippines, INC.	2.80	4.80
Linde Malaysia Sdn. Bhd.	1.21	3.27
Linde (Thailand) Public Company Limited	1.51	3.97
Praxair India Private Limited	2.62	3.41
Rent Income		
Linde Global Support Services Pvt. Ltd.	23.70	18.96

46. Leases

I. As a Lessor (IND AS 116)

The following is the summary of future minimum lease rental payments under non-cancellable operating leases and finance leases entered into by the Company.

A. Operating leases as a lessor:

Significant leasing arrangements include lease of plant and machinery for use under long term arrangements for periods ranging between 10 to 20 years with renewal option.

Future minimum lease payments under non-cancellable operating leases are as below:

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Future minimum lease payments		
not later than one year	958.54	876.87
later than one year and not later than five years	3,563.01	3,454.98
later than five years	4,930.87	6,086.76
	9,452.42	10,418.61

Lease income recognised during period is **Rs 844.35 million** (31 Dec 2021: Rs 662.85 million)

B. Finance leases as a lessor:

Certain plant and machinery has been made available by the Company to the customers under a finance lease arrangement. The arrangements covers a substantial part of the economic life of the underlying asset and contain a renewal option on expiry. Receivables under long term arrangements involving use of dedicated assets are based on the underlying contractual terms and conditions. Any change in the assumptions may have an impact on lease assessment and/or lease classification.

Such assets given under the lease arrangement have been recognised, at the inception of the lease as a receivable at an amount equal to the net investment in the lease. The finance income arising from the lease is being allocated based on a pattern reflecting constant periodic return on the net investment in the lease. The income arising on account of finance lease arrangement is **Rs 3.88 million** (31 Dec 2021: Rs. 4.20 million).

The minimum lease receivable and the present value of minimum lease receivables in respect of arrangements classified as finance leases are as below:

in Rupees million	As at 31st Mar 2023		As at 31st Dec 2021	
	Minimum Lease payments	Present value of minimum lease payments	Minimum Lease payments	Present value of minimum lease payments
Not later than one year	7.68	1.43	7.68	1.50
Later than one year and not later than five years	3.84	1.24	13.44	2.67
Later than five years	-	-	-	-
Total future minimum lease committments	**11.52**	**2.67**	**21.12**	**4.17**
Less: Unearned finance income	1.95	-	5.82	-
Present value of minimum lease payments receivable	**9.57**	-	**15.30**	-
Disclosed as:				
Other financial asset - finance lease receivable (refer note 9)				
Non-Current	3.58	-	10.86	-
Current	5.99	-	4.44	-
	9.57	-	**15.30**	-

46. Leases (continued...)

II. As a Lessee (IND AS 116)

1 Changes in the carrying value of right of use assets for the fifteen months period ended 31 March 2023

in Rupees million	Land	Buildings	Plant and Equipment	Total
Balance as at 1 January 2022	161.64	25.16	186.40	373.20
Additions during the period	-	-	-	-
Deletion during the period	-	3.51	-	3.51
Depreciation	5.91	7.09	16.67	29.67
Balance as at 31 March 2023	**155.73**	**14.56**	**169.73**	**340.02**

2 The following is the break-up of current and non-current lease liabilities

Particulars	As at 31 Mar 2023	As at 31 Dec 2021
Current Lease Liability	13.58	12.56
Non Current Lease Liability	206.91	230.37
Total Lease Liability	**220.49**	**242.93**

3 The following is the movement in lease liabilities

Particulars	As at 31 Mar 2023	As at 31 Dec 2021
Opening Balance	242.93	69.03
Additions during the period	-	184.22
Finance cost during the period	25.31	7.69
Deletions	4.63	-
Payment of lease liabilities	43.12	18.01
Closing Balance	**220.49**	**242.93**

4 Contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 Mar 2023	As at 31 Dec 2021
Less than one year	32.56	33.13
One to five years	114.00	130.65
More than five years	230.42	261.39

5 Nature of lessee's leasing activities
Right-of-Use assets majorly comprises Land, Buildings and Plant and Equipment.

6 There are no such identified probable future cash outflows to which the entity is exposed that are not reflected in the measurement of lease liabilities.

47. Interest in Joint Ventures & Associates

a) Details of the Company's material joint ventures & associates at the end of the reporting period are as follows:

Name of the Joint Ventures & associates	Principal Activity	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the Group		Quoted (Y/N)
			As at 31 Mar 2023	As at 31 Dec 2021	
Bellary Oxygen Company Private Limited (Belloxy)	Production and sale of air gases	Karnataka, Bellary	50.00%	50.00%	N
Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Private Limited)	Management services	Karnataka, Banagalore	50.00%	50.00%	N
Avaada MHYavat Private Limited w.e.f. 20th April 2022	Power generation	Noida Uttar Pradesh	26.00%	-	N
FPEL Surya Private Limited w.ef. 23rd February 2023	Power generation	HMT Nagar Hyderabad	26.00%	-	N
FP Solar Shakti Private Limited w.ef. 14th March 2023	Power generation	HMT Nagar Hyderabad	18.26%	-	N

b) Summary of financial information

in Rupees million	Joint Ventures		Associates	
	As at 31 Mar 2023	As at 31 Dec 2021	As at 31 Mar 2023	As at 31 Dec 2021
Current Assets	816.42	1,003.13	268.02	-
Non Current Assets	555.03	218.50	3,034.27	-
Current Liabilities	506.18	466.40	1,001.98	-
Non Current Liabilities	178.34	136.53	1,511.56	-
Equity	686.93	618.70	788.75	-
Total Income	2,791.26	2,482.59	42.89	-
Expenses	2,473.60	2,283.17	51.11	-
Profit before tax for the year	**317.66**	**199.42**	**(8.22)**	-
Tax Expense	62.27	46.53	(0.55)	-
Profit after tax for the year	**255.39**	**152.89**	**(7.67)**	-
Profit attributable to the owners of the Company	127.69	76.45	(1.79)	-
Profit attributable to the non controlling interest	127.70	76.44	(5.88)	-
Profit for the year	**255.39**	**152.89**	**(7.67)**	-
Other Comprehensive Income attributable to the owners of the Company	-	-	-	-
Other Comprehensive Income Profit / (Loss) attributable to the non controlling interest	-	-	-	-
Other Comprehensive Income	-	-	-	-
Total Other Comprehensive Income attributable to the owners of the Company	-	-	-	-
Total Other Comprehensive Income Profit / (Loss) attributable to the non controlling interest	-	-	-	-
Total Other Comprehensive Income	**255.39**	**152.89**	**(7.67)**	-
Dividends paid to non controlling interest	**90.00**	**210.00**	-	-
Net Cash Flow from operating activities	12.91	404.86	661.27	-
Net Cash Flow from investing activities	(126.25)	447.25	(1,657.18)	-
Net Cash Flow from financing activities	(183.84)	(420.00)	1,013.47	-
Net Cash inflow/(outflow)	**(297.18)**	**432.11**	**17.56**	-

c) The above investment in Bellary Oxygen Company Private Limited is part of assets classified as held for sale. Refer Note 16

48 Analytical ratios

in Rupees million	Numerator	Denominator	As at 31 March 2023	As at 31 December 2021	% Variance	Reason for variance greater than 25%
a) Current ratio (times)	Current Assets	Current Liabilities	2.19	2.11	4.06%	
b) Return on equity (%)	Profit after tax	Shareholders equity	18.46%	21.00%	-12.10%	
c) Inventory turnover ratio (times)	Cost of Goods Sold (Cost of material consumed+ Purchase of Stock in Trade + Changes in Inventories of Finished Goods & Work in Progress)	Inventory	17.18	9.98	72.18%	refer note- a
d) Trade receivables turnover ratio (times)	Revenue from Operations	Average Trade Receivables	6.74	5.09	32.44%	refer note- a
e) Trade payables turnover ratio (times)	Total Purchases (Purchase of materials + Purchase of Stock in Trade)	Average Trade Payables	2.23	1.32	69.66%	refer note- a
f) Net capital turnover ratio (times)	Revenue from Operations	Working Capital (Current assets - Current liabilities)	2.81	2.18	-29.13%	refer note- a
g) Net profit ratio (%)	Profit After Tax	Revenue from Operation	17.09%	24.33%	-29.78%	refer note- b
h) Return on capital employed (%)	Earnings before interest and tax (Profit before tax + Finance Cost)	Capital Employed (Tangible Equity + Lease liabilities + deferred tax liability)	18.70%	23.86%	-21.63%	
i) Return on investment (%)	Earnings before interest and tax (Profit before tax + Finance Cost)	Total Assets	14.15%	17.85%	-20.71%	

Note :

a) Ratios involving Profit & Loss Number in calculation either in numerator or denominator are non comparable due to difference in period involved being 15 months for the current period & 12 months for the comparitive period. Hence no further reasons given.

b) The net profit ratio is higher in 2021 primarily because profit in that year includes an exceptional item of Rs 2,944.26 million (Refer Note 35).

c) There is no oustanding debt in the company for current year and previous year, hence Debt service ratio and Debt- Equity ratio is not applicable.

49 Share-based payments

A. Description of share-based payment arrangements

Linde PLC, under Long Term Incentive Plan, permits the grant of Non-qualified Stock Options, Restricted Stock Units and Performance stock Units.

(i) Stock Options

Stock options which are equity settled options, is granted, subject to the terms and provisions of the Plan, to participants as determined by the Committee, in its sole discretion. Each option granted shall be evidenced by an award agreement that shall specify the option price, the term of the option, the number of shares to which the option pertains, the conditions, including any performance goals, upon which an option shall become vested and exercisable, and such other terms and conditions as the committee shall determine which are not inconsistent with the terms of the Plan.

Awards of options shall be solely subject to the continued service of the Participant and shall become exercisable no earlier than three years after the grant date, provided that such option may partially vest after no less than one year following such grant date; and any other award of options shall become exercisable no earlier than one year after the grant date.

The exercise price is the fair value of shares on the date of the grant. The Options vests in a graded manner over a period of three years. Under the Plan, employees have the following options:

a) Exercise and Hold - The employees need to pay the exercise cost.
b) Exercise and Sell - The net proceeds (proceeds from sale of shares at fair maket value minus the exercise price) is paid to the employee.
c) Exercise and Sell to cover - The employees sells shares to the extent of exercise cost.
d) Exercise and Net Shares - The Group witholds the shares to cover the exercise cost and remaining shares are credited to the employees account.

Typically employees avail option (b) above and consequently the net proceeds is directly paid by the Company to the employees based on communication from Group's stock option plan service provider.

(ii) Performance and Restricted Stock awards (PSU and RSU)

PSU and RSU which are equity settled options are granted under the 2009 Plan to senior level executives that vest over a period of three years. The exercise price is Nil. Linde Plc cross charges the amount to the Company, determined based on the fair value of the shares on exercise of PSU and RSU at the end of three years.

B. Measurement of fair values

The Company measures compensation expense for stock options at their fair value determined using Black - Scholes Model on the date of the grant. The Company has used the assumptions adopted by the Ultimate Holding Company. The fair value of the equity settled stock options and the assumptions used by the Ultimate Holding Company in the measurement of fair value at grant date and measurement date are as follows:

Particulars	31 March 2023	31 December 2021
Fair value (in $)	94.02	37.80
Share price (in $)	354.14	253.68
Expected volatility (%)	26.06%	18.42%
Expected life (years)	5 years	6 years
Expected dividends (%)	1.44%	1.67%
Risk free interest rate (%)	4.23%	1.10%

C. Reconciliation of employee stock options and PSU and RSU stock awards

The activity in the equity settled share based payment transactions during the period ended 31 March 2023 is set out below:

Particulars	Stock options		PSU and RSU stock awards
	Number of options	Weighted average exercise price (in USD)	Number of units
Outstanding at the beginning of the period	2,721	151.96	998
Granted during the period	495	345.14	960
Exercised/ vested during the period	(568)	305.48	(558)
Cancelled/ trueup/forfeited during the period (net)	-	-	122
Outstanding at the end of the period	2,648	351.54	1,522
Exercisable at the end of the period	1,798	-	-

The activity in the equity settled share based payment transactions during the year ended 31 December 2021is set out below:

Particulars	Stock options		PSU and RSU stock awards
	Number of options	Weighted average exercise price (in USD)	Number of units
Outstanding at the beginning of the period	2,366	162.83	788
Granted during the period	355	253.68	641
Exercised/ vested during the period	-	-	(431)
Cancelled/ forfeited during the period (net)	-	-	-
Outstanding at the end of the period	2,721	-	998
Exercisable at the end of the period	887	-	-

D. Details of employee stock compensation liability arising on account of settlement obligation

Employee stock compensation liability	31 March 2023
Opening balance	-
Add: Expense booked during the period	31.09
Less: Payments/ adjustments	-
Closing balance	**31.09**

50. Disclosure for struck off companies The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under section 248 of the Companies Act, 2013:

Name of struck off Company	Nature of transactions with struck-off Company	As at 31 Mar 2023	As at 31 Dec 2021	Relationship with the struck-off Company
Paramount Speciality Forg	Purchase of goods and receiving of services	0.16	-	Trade Payable
S K B Builders India Limited	Purchase of goods and receiving of services	21.14	19.83	Trade Payable
Advance Valves Pvt Limited	Purchase of goods and receiving of services	0.06	0.10	Trade Payable
Others entities*	Purchase of goods and receiving of services	0.02	0.01	Trade Payable
Total		21.38	19.94	

*Represents parties whose outstanding balances are less than Rs 0.01 Million

51. Certain Shareholders have raised objections on the related party transactions entered into by Linde India Limited ("Company") with Praxair India Private Limited and Linde South Asia Services Private Limited since the resolution on material related party transactions in the 85th AGM held on 24 June 2021 had been rejected by the shareholders. The Company has also received inquiries and information requests from the Securities and Exchange Board of India in connection with certain related party transactions and arrangements to which the Company has been responding. Based on the legal opinion obtained by the Company, the Company is in compliance with all requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 in respect of all related party transactions entered into by it. No related party transaction entered into by the Company has a value in excess of the materiality threshold of 10% or more of the annual consolidated turnover of the Company. Therefore, there are no material related party transactions entered into by the Company. In terms of the legal opinion obtained by the Company, it has applied the materiality threshold of 10% or more of the annual consolidated turnover of the Company to the value of each of the related party transactions and not by aggregating the value of all related party transactions it has entered into and ascertained that no shareholder approval is required for any related party transaction in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, which is not "material" in nature.

Management regularly evaluates the business and regulatory risks, including the above matters and it recognises the related uncertainties around their ultimate outcomes, the impact of which, if any, is not presently ascertainable.

52. Dividends

The dividends declared by the Company are based on the profits available for distribution as reported in the financial statements of the Company. On 23 May 2023, the Board of Directors of the Company have proposed a dividend of Rs. 12 per share including a special dividend of Rs. 7.50 per share in respect of fifteen months period ended 31 March 2023, subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of Rs. 1023.41 million.

53. The Board of Directors at its meeting held on 14 November 2022 approved the change of financial year of the Company from calendar year (January – December) to uniform financial year (April – March). The company has also obtained necessary approval from the Regional Director, Eastern Region, Ministry of Corporate Affairs on 29 March 2023. Accordingly the current financial year comprises 15 months period from 1 January 2022 to 31 March 2023 and hence the figures are not comparable with the previous financial year which is for 12 months.

54. Previous year figures have been regrouped wherever necessary as required as per revised schedule III amendments which are applicable to the company for the period commencing from 1 January 2022.

For Price Waterhouse & Co Chartered Accountants LLP
(Firm Registration Number: 304026E/E300009)

PRAMIT AGRAWAL, Partner Membership Number: 099903
Place: Kolkata
Date: 23 May, 2023

For and on behalf of Board of Directors of
Linde India Limited
CIN: L40200WB1935PLC008184

M DEVINE, Chairman DIN : 10042702
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

N K JUMRANI, Chief Financial Officer ACA: 065258
A DHANUKA, Company Secretary ACS: 23872

Independent Auditor's Report.

To the Members of Linde India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Linde India Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, and the Statement of Standalone Profit and Loss (including Other Comprehensive Income), the Statement of Standalone Changes in Equity and the Statement of Standalone Cash Flow for the 15 months period ended March 31, 2023, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the 15 months period ended March 31, 2023.

Basis for Opinion

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

Emphasis of Matter

4. We draw attention to Note 51 of the standalone financial statements which explains the management assessment of related party transactions in terms of Listing Regulations, 2015. The Company has received inquiries and information requests from Securities and Exchange Board of India in connection with certain related party transactions and arrangements to which the Company has been responding from time to time. There are significant uncertainties associated with the outcome of the above, being matters of legal and regulatory interpretation, the impact of which, if any is presently not ascertainable.

   Our opinion is not modified in respect of this matter.

Key audit matters

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

Key Audit Matter	How our audit addressed the key audit matter
Revenue Recognition for Project Engineering Division (PED) business - Appropriateness of estimation of contract cost and revenue recognition Refer Note 2(e)(c) - "Revenue Recognition- Revenue from Construction" and 4(ii)- "Critical accounting judgements and key sources of estimation uncertainty- Accounting for revenue from contracts wherein company satisfies performance obligation and recognises revenue over time" and Note 24 – "Revenue from operations" Revenue from contracts entered into by the PED is recognized over a period of time in accordance with the requirements of Ind AS 115 'Revenue from Contracts with Customers'. Revenue recognition involves determination of percentage completion of the project and contract margin to be recognised on the project, which are dependent on the actual cost incurred and total budgeted cost, which is cost incurred to date and estimation of future cost to complete the contract. This estimation involves exercise of significant judgement by the management in making cost forecasts considering future activities to be carried out in the project, and the related assumptions. This has been considered as a key audit matter given the significant management judgements involved and complexities in determining future costs to complete and the resulting contract margin.	Our audit procedures included the following: • Assessed and tested the design and operating effectiveness of key controls around estimation of contract costs and revenue recognition. • Tested on a sample basis the actual costs incurred during the 15 months period ended March 31, 2023 with supporting documents. • Verified on a sample basis the revenue with the underlying contracts and other relevant terms and conditions as considered appropriate. • Tested on a sample basis the future cost to complete with order placed with vendors, management's technical estimates, and other relevant supporting documents, as appropriate. • We also evaluated reasonableness of management's judgements and assumptions using past trends and comparing the estimated costs to the actual costs incurred for the similar projects. • Recomputed the percentage of completion based on the budgeted cost and the total actual cost incurred and the revenue recognized. • Evaluated the adequacy of the related disclosures in the standalone financial statements. Based on the above procedures, we did not note any significant exceptions in the estimates and judgements applied by the Management in revenue recognition including those relating to presentation and disclosures as required by Ind AS 115.

Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report and Management Discussion and Analysis, Report on Corporate Governance and Business Responsibility and Sustainability Report but does not include the standalone financial statements and our auditor's report thereon.

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

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the standalone financial statements

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

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

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

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

12. 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.

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

Other Matter

14. The standalone financial statements of the Company for the year ended December 31, 2021, were audited by another firm of chartered accountants under the Act who, vide their report dated February 24, 2022, expressed an unmodified opinion on those standalone financial statements.

    Our opinion is not modified in respect of the above matter.

Report on other legal and regulatory requirements

15. 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, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

16. As required by Section 143(3) of the Act, we report that:
    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of the books of accounts and other books and papers maintained in electronic mode, has not been maintained on a daily basis on servers physically located in India during the period January 1, 2022 to March 31, 2023.

    (c) The Standalone Balance Sheet, the Statement of Standalone Profit and Loss (including other comprehensive income), the Statement of Standalone Changes in Equity and the Statement of Standalone Cash Flow dealt with by this Report are in agreement with the books of account.

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

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

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our comment in paragraph 16(b) above.

    (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 20 and Note 37 to the standalone financial statements.

        ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2023.

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

        iv. (a) The management has represented that, to the btest 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 Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company 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 such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend declared and paid during the 15 months period ended March 31, 2023 by the Company is in compliance with Section 123 of the Act.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

17. The Company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Place: Kolkata
Date: May 23, 2023

Pramit Agrawal, *Partner*
Membership Number 099903
UDIN: 23099903BGWLOD3322

Annexure "A" to the Independent Auditor's Report.

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

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Linde India Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the 15 months period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Place: Kolkata
Date: May 23, 2023

Pramit Agrawal, *Partner*
Membership Number 099903
UDIN: 23099903BGWLOD3322

Annexure "B" to the Independent Auditor's Report.

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

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the 15 months period ended March 31, 2023 and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 5 and 6 to the financial statements, are held in the name (including erstwhile name) of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) or Intangible Assets or both during the 15 months period ended March 31, 2023. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the 15 months period ended March 31, 2023 and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the 15 months period ended March 31, 2023, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. (a) The Company has made investments in three companies, granted unsecured loans to twenty-one employees. The Company has not granted secured loans/advances in nature of loans or stood guarantee or provided security to any Company / firm / Limited Liability Partnership/ other party during the 15 months period ended March 31, 2023. The aggregate amount during the 15 months period ended March 31, 2023, and balance outstanding at the balance sheet date with respect to such loan to employees are as per the table given below:

	Loans to employees (Rs in million)
Aggregate amount granted/ provided during the 15 months period ended March 31, 2023 - Others	1.32
Balance outstanding as at balance sheet date in respect of the above cases - Others	0.23

Also refer Note 9 to the standalone financial statements.

(b) In respect of the aforesaid investments/loans to employee, the terms and conditions under which such loans were granted/ investments were made are not prejudicial to the Company's interest.

(c) In respect of the loans (which are interest free employee loans), the schedule of repayment of principal has been stipulated, and the parties are repaying the principal amounts as stipulated, in a regular manner.

(d) In respect of the loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which fell due during the 15 months period ended March 31, 2023 and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) The loans granted to employees during the 15 months period ended March 31, 2023, had stipulated the scheduled repayment of principal and the same were not repayable on demand. There were no loans / advance in nature of loans which were granted during the 15 months period ended March 31, 2023 to promoters/related parties.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made and guarantees and security provided by it, as applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of income tax, the Company is generally regular in in depositing undisputed statutory dues in respect of provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2023 for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (Rs in million.)	Period to which the amount relates	Due date	Date of Payment	Remarks, if any
Income Tax Act 1961	Tax deducted at source	0.04	August 2022	07-Sep-22	28-Apr-23	Tax deducted at source on sale of property
Income Tax Act 1961	Tax deducted at source	0.38	June 2022	07-Jul-22	28-Apr-23	

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, employees' state insurance and duty of customs which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount net of payment (Rs in million.)	Amount paid under protest (Rs in million.)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty	21.54	0.38	1997 - 2016	Deputy Commissioner/Additional Commissioner, Central Excise
		0.09	-	1998	Assistant Commissioner of Central Excise
		14.59	2.00	2002-2017	Commissioner of Central Excise (Appeals)
		4.51	2.50	2017	Joint Commissioner of Central Excise,
		350.21	14.88	1996 – 2017	The Customs Excise and Service Tax Appellate Tribunal
The Central Goods and Service Act, 2017	Goods and Service Tax	34.59	3.46	2017-18	Commissioner Appeals
		64.94	-	2017 - 2020	Additional Commissioner, GST & Central Excise, Bhubaneshwar Commissionerate
The Central Sales tax Act, 1956	Sales Tax	3.91	0.98	2011 – 2013	Additional Commissioner of Sales Tax (Appeals)
		0.65	-	2013-15	Department of Trade and Taxes Delhi, government of NCT of Delhi, VATO
		26.14	1.14	2013–2014	Deputy Commercial Tax Commissioner
		7.90	1.13	2015-2017	Joint Commissioner
		44.83	9.90	2011 – 2018	Joint Commissioner (Appeal)
		181.55	36.13	2010 – 2018	Sales Tax Tribunal
		29.99	14.99	2004-2005	The Deputy Commissioner of Commercial Taxes (Appeals), Ernakulam
		22.87	5.73	2009- 2010	West Bengal Commercial Taxes Appellate and Revisional Board

Name of the statute	Nature of dues	Amount net of payment (Rs in million.)	Amount paid under protest (Rs in million.)	Period to which the amount relates	Forum where the dispute is pending
Gujarat Value Added Tax Act, 2003	Value added tax	6.98	1.75	2010 -2011	Deputy Commissioner (Appeals)
		31.38	3.10	2010 - 2012	Gujrat VAT Tribunal
Jharkhand Value Added Tax Act, 2005	Value added tax	254.72	139.52	2011 - 2015	Deputy Commissioner/ Assistant Commissioner of Commercial Taxes
		28.55	35.42	2016 - 2018	The Joint Commissioner of State Taxes (Appeals)
Karnataka Value Added Tax Act, 2003	Value added tax	55.06	-	2005 - 2006	High Court
West Bengal Value Added Tax Act, 2003	Value added tax	37.42	4.01	2016 - 2017	Revisional Board
The Finance Act, 1944	Service Tax	2.71	0.22	2017-18	Commissioner Appeals
		682.58	19.25	2005-2015	The Customs Excise and Service Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	68.04	-	FY 2020-21	National Faceless Appeal Centre
		4.42	-	FY 2016-17	Income Tax appellate tribunal
		175.80	-	FY 2013-14	
		241.27	-	FY 2012-13	

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the 15 months period ended March 31, 2023 in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) As the Company did not have any loans or other borrowings from any lender during the 15 months period ended March 31, 2023, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates or joint ventures. The Company did not have any subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the 15 months period ended March 31, 2023 on the pledge of securities held in its joint ventures or associate companies. The Company did not have any subsidiaries.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the 15 months period ended March 31, 2023. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the 15 months period ended March 31, 2023. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the 15 months period ended March 31, 2023, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the 15 months period ended March 31, 2023, which have been considered by us for any bearing on our audit and reporting under this clause.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We were unable to obtain Internal Audit Report for the period January 1, 2023 to March 31, 2023 of the Company as the internal audit is in progress and accordingly, the Internal Audit Reports only for the period January 1, 2022 to December 31, 2022 have been considered by us for the purpose of our audit.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the 15 months period ended March 31, 2023. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the 15 months period ended March 31, 2023 or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the 15 months period ended March 31, 2023 and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 48 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

(b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing project to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. Also refer Note 33 to the standalone financial statements.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Place: Kolkata
Date: May 23, 2023

Pramit Agrawal, *Partner*
Membership Number 099903
UDIN: 23099903BGWLOD3322

Consolidated Financial Statements.

Consolidated Balance Sheet.

as at 31 March 2023

in Rupees million	Note	As at 31 Mar 2023	As at 31 Dec 2021
ASSETS			
Non-current assets			
Property, plant and equipment	5	17,080.87	18,103.94
Right-of-Use Assets	6	340.02	373.20
Capital work-in-progress	5	2,252.29	680.40
Goodwill	7A	89.34	89.34
Other Intangible assets	7B	114.12	119.06
Financial assets			
Trade receivables	13	309.21	-
Investments in joint venture & associates	8	319.81	92.53
Investments in others	8	0.69	0.66
Other financial assets	9	160.36	149.85
Non current tax assets (net)	10	330.68	146.20
Other non current assets	11	2,343.29	1,728.03
Total non- current assets (A)		**23,340.68**	**21,483.21**
Current assets			
Inventories	12	774.11	691.04
Financial assets			
Trade receivables	13	4,767.91	4,231.68
Cash and cash equivalents	14	11,866.09	9,832.93
Other balances with bank	15	48.84	46.80
Other financial assets	9	146.55	139.21
Other current assets	11	2,884.72	3,506.52
Total current assets (B)		**20,488.22**	**18,448.18**
Assets classified as held for sale (C)	16	168.95	234.71
TOTAL ASSETS (A+B+C)		43,997.85	40,166.10
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	852.84	852.84
Other equity	18	30,548.16	26,296.01
Total equity (D)		**31,401.00**	**27,148.85**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	45	206.91	230.37
Provisions	20	725.81	706.63
Deferred tax liabilities (net)	21A	1,918.84	2,891.25
Other non-current liabilities	22	403.81	435.77
Total non- current liabilities (E)		**3,255.37**	**4,264.02**
Current liabilities			
Financial liabilities			
Lease liabilities	45	13.58	12.56
Trade payables			
(A) total outstanding dues of micro and small enterprises	23	166.40	10.12
(B) total outstanding dues of creditors other than micro and small enterprises	23	5,285.17	5,867.46
Other financial liabilities	19	499.33	570.85
Provisions	20	465.90	406.01
Current Tax Liabilites (net)	21B	78.72	-
Other current liabilities	22	2,832.38	1,886.23
Total current liabilities (F)		**9,341.48**	**8,753.23**
Total liabilities (G)= (E+ F)		**12,596.85**	**13,017.25**
TOTAL EQUITY AND LIABILITIES (D+G)		43,997.85	40,166.10

The accompanying notes 1 to 54 are an integral part of the financial statements.

This is the Consolidated Balance Sheet referred to in our Report of even date

For Price Waterhouse & Co Chartered Accountants LLP
(Firm Registration Number: 304026E/E300009)

PRAMIT AGRAWAL, Partner Membership Number: 099903
Place: Kolkata
Date: 23 May, 2023

For and on behalf of Board of Directors of
Linde India Limited
CIN: L40200WB1935PLC008184

M DEVINE, Chairman DIN : 10042702
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

N K JUMRANI, Chief Financial Officer ACA: 065258
A DHANUKA, Company Secretary ACS: 23872

Statement of Consolidated Profit and Loss.

for the fifteen months period ended 31 March 2023

in Rupees million	Note	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
INCOME			
Revenue from operations	24	31,355.20	21,119.58
Other income	25	1,039.74	546.63
TOTAL INCOME (A)		32,394.94	21,666.21
EXPENSES			
Power and fuel		5,139.16	4,028.45
Cost of materials consumed	26	8,246.42	3,931.64
Purchase of stock-in-trade	27	4,406.98	2,911.97
Changes in inventories of finished goods & work-in-progress	28	(67.01)	26.44
Employee benefit expenses	29	638.71	502.48
Finance costs	30	56.56	30.54
Depreciation & amortisation expenses	31	2,528.65	1,813.67
Other expenses	32	5,348.91	4,252.72
TOTAL EXPENSE (B)		26,298.38	17,497.91
Profit before share of profit of Joint venture, tax and exceptional items C = (A-B)		6,096.56	4,168.30
Share of profit of Joint venture (D)		86.30	56.18
Profit before exceptional items and tax E = (C+D)		6,182.86	4,224.48
Exceptional Items (F)	34	-	2,754.52
Profit before tax G = (E+F)		6,182.86	6,979.00
Tax Expense			
Current tax	21A	1,806.18	1,330.76
Deferred tax	21A	(1,003.91)	576.06
TOTAL TAX EXPENSE (H)		802.27	1,906.82
PROFIT FOR THE YEAR (I)= (G-H)		5,380.59	5,072.18
Other comprehensive income			
Items that will not be reclassified to profit or loss		38.05	(16.28)
Remeasurement gains/losses on defined benefit plans		38.02	(18.93)
Fair value changes of investments in equity shares		0.03	2.65
Income tax relating to items that will not be reclassified to profit or loss		(31.49)	5.71
Items that will be reclassified to profit or loss		-	-
Fair value changes due to cash flow hedges		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR (J)		6.56	(10.57)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (K) = (I+J)		5,387.15	5,061.61
Earnings per equity share :	35		
Basic and Diluted (Rs.)		63.09	59.47

The accompanying notes 1 to 54 are an integral part of the financial statements.

This is the Consolidated Profit and Loss referred to in our Report of even date

For Price Waterhouse & Co Chartered Accountants LLP
(Firm Registration Number: 304026E/E300009)

PRAMIT AGRAWAL, Partner Membership Number: 099903
Place: Kolkata
Date: 23 May, 2023

For and on behalf of Board of Directors of
Linde India Limited
CIN: L40200WB1935PLC008184

M DEVINE, Chairman DIN : 10042702
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

N K JUMRANI, Chief Financial Officer ACA: 065258
A DHANUKA, Company Secretary ACS: 23872

Statement of Consolidated Changes in Equity.

for the fifteen months period ended 31 March 2023

A. Equity share capital

A. Equity share capital	in Rupees million
Balance as at 1 January 2021	852.84
Changes in equity share capital during the year	-
Balance as at 31 Dec 2021	852.84
Changes in equity share capital during the period	-
Balance as at 31 Mar 2023	852.84

B. Other equity

in Rupees million	Reserve and Surplus			Equity instrument through other comprehensive Income	Stock Options outstanding account	Total
	Securities Premium	General Reserves	Retained Earnings			
Balance as at 1 January 2021	6,972.52	995.67	13,521.77	0.29	-	21,490.25
Profit for the year	-	-	5,072.18	-	-	5,072.18
Payment of Dividends	-	-	(255.85)	-	-	(255.85)
Other Comprehensive Income (net of taxes)	-	-	(13.22)	2.65	-	(10.57)
Balance as at 31 December 2021	6,972.52	995.67	18,324.88	2.94	-	26,296.01
Profit for the period	-	-	5,380.59	-	-	5,380.59
Payment of Dividends	-	-	(1,151.34)	-	-	(1,151.34)
Share based payment expense	-	-	-	-	16.34	16.34
Other Comprehensive Income (net of taxes)	-	-	6.53	0.03	-	6.56
Balance as at 31 March 2023	6,972.52	995.67	22,560.66	2.97	16.34	30,548.16

The accompanying notes 1 to 54 are an integral part of the financial statements.

This is the Statement of Consolidated changes in Equity referred to in our Report of even date

For Price Waterhouse & Co Chartered Accountants LLP
(Firm Registration Number: 304026E/E300009)

PRAMIT AGRAWAL, Partner Membership Number: 099903
Place: Kolkata
Date: 23 May, 2023

For and on behalf of Board of Directors of
Linde India Limited
CIN: L40200WB1935PLC008184

M DEVINE, Chairman DIN : 10042702
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

N K JUMRANI, Chief Financial Officer ACA: 065258
A DHANUKA, Company Secretary ACS: 23872

Statement of Consolidated Cash Flow.

for the fifteen months period ended 31 March 2023

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Cash flows from operating activities		
Profit before tax for the period	6,182.86	6,979.00
Adjustments for:		
Depreciation and amortisation expenses	2,528.65	1,813.67
(Gain)/Loss on sale of Property Plant and Equipment	(113.79)	10.26
Finance costs recognised in profit or loss	56.56	30.54
Interest income on unwinding of security deposits	(1.44)	(1.02)
Interest Income on deposits	(560.77)	(189.07)
Liabilities no longer required written back	(231.93)	-
Dividend Income	(42.38)	(216.76)
Share of profit from Joint Venture	(86.30)	(56.18)
Interest income on finance lease arrangement	(3.88)	(4.20)
Allowances for doubtful debts	(12.36)	(7.77)
Provision for warranties (Net)	61.03	18.68
Exceptional items	-	(2,754.52)
Operating cash flow before working capital changes	7,776.25	5,622.63
Movements in working capital:		
(Increase) / Decrease in trade receivables	(833.08)	4.18
Decrease in current and non-current financial assets	15.43	72.32
Decrease/(Increase) in other current and non-current assets	657.63	(1,671.99)
Increase in inventories	(83.08)	(5.12)
(Decrease)/Increase in Trade payables	(426.01)	1,361.83
Increase in current and non-current liabilities and provisions	1,093.41	1,257.93
Cash generated from operations	8,200.55	6,641.78
Income taxes paid (net)	(1,908.71)	(753.00)
Net cash generated from operating activities	6,291.84	5,888.78
Cash flows from investing activities		
Purchase of property, plant and equipment, capital work in progress and intangible assets	(3,631.68)	(1,367.14)
Proceeds from disposal of property, plant and equipment	70.56	16.67
Advance received for Sale of Property Plant and Equipment	67.42	-
Proceeds from disposal of Investments	-	2.38
Proceeds from disposal of Land	59.10	2,477.50
Income tax paid on profit from disposal of Land	(3.23)	(514.00)
Investment in Associates	(238.82)	-
Dividends received	81.01	189.01
Interest received	531.36	170.14
Bank deposits (having original maturity of more than 3 months)	0.06	9.70
Net cash (used in)/ generated from investing activities	(3,064.22)	984.26
Cash flows from financing activities		
Repayment of Lease Liabilities	(17.81)	(18.01)
Finance cost on Lease payment	(25.31)	(7.69)
Dividends paid to owners of the Company	(1,151.34)	(255.85)
Net cash used in financing activities	(1,194.46)	(281.55)
Net increase in cash and cash equivalents	2,033.16	6,591.49
Cash and cash equivalents at the beginning of the period	9,832.93	3,241.44
Cash and cash equivalents at the end of the period	11,866.09	9,832.93

Note: The above Statement of Cash Flow has been prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows

The accompanying notes 1 to 54 are an integral part of the financial statements.

This is the Statement of Consolidated Cash flow referred to in our Report of even date

For Price Waterhouse & Co Chartered Accountants LLP
(Firm Registration Number: 304026E/E300009)

PRAMIT AGRAWAL, Partner Membership Number: 099903
Place: Kolkata
Date: 23 May, 2023

For and on behalf of Board of Directors of
Linde India Limited
CIN: L40200WB1935PLC008184

M DEVINE, Chairman DIN : 10042702
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A BANERJEE, Managing Director DIN : 08456907

N K JUMRANI, Chief Financial Officer ACA: 065258
A DHANUKA, Company Secretary ACS: 23872

Notes to Consolidated Financial Statements.

for the fifteen months period ended 31 March 2023

1. Holding Company's background

Linde India Limited (the 'Company' or the 'Holding Company') is a public company having Corporate Identity Number L40200WB1935PLC008184. It is incorporated under the Companies Act, 1956 and its shares are listed on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). The Company is primarily engaged in manufacture of industrial and medical gases and construction of cryogenic and non-cryogenic air separation plants.

The functional and presentation currency of the Company is Indian Rupee ("Rs.").

The consolidated financial statement for the year ended 31 March 2023 were approved by the Board of directors and authorized for issue on 23 May 2023.

a) The consolidated financial statements comprises the financial statements of the Company, its associates and its joint ventures as detailed below:-

Name of Entity	Nature of Relationship	Principal Activity	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the company		Quoted (Y/N)
				As at 31 Mar 2023	As at 31 Dec 2021	
Bellary Oxygen Company Private Limited (Belloxy)	Joint Venture	Production and sale of air gases	Karnataka, Bellary	50.00%	50.00%	N
Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Private Limited)	Joint Venture	Management services	Karnataka, Banagalore	50.00%	50.00%	N
Avaada MHYavat Private Limited w.e.f. 20th April 2022	Associate	Power generation	Noida Uttar Pradesh	26.00%	-	N
FPEL Surya Private Limited w.ef. 23rd February 2023	Associate	Power generation	HMT Nagar Hyderabad	26.00%	-	N
FP Solar Shakti Private Limited w.ef. 14th March 2023	Associate	Power generation	HMT Nagar Hyderabad	18.26%	-	N

b) During the 15 months period ended 31 March 2023, the Company has made investments in 3 entities namely Avaada MHYavat Private Limited, FP Solar Shakti Private Limited and FPEL Surya Private Limited, which are classified as Associates in accordance with the requirements of Ind AS. In the consolidated financial statements, considering the terms and conditions of these 3 investments, in accordance with Ind AS, the Company is not required to apply equity method of accounting. Also, in respect of 1 Joint Venture (namely Bellary Oxygen Company Private Limited), the Company is not required to apply equity method of accounting as this is classified as 'Investments held for Sale' (Refer note 16). Accordingly, the Consolidated financial statements reflect the financial statements of Linde India Limited (Holding Company) and share of profit of 1 Joint venture 'Linde South Asia Services Private Limited'.

c) Refer Note 47 for details of net assets and share of profit of individual entity in the consolidated net assets and consolidated share of profit.

The financial statement for the year ended 31 March 2023 were approved by the Board of directors and authorized for issue on 23 May 2023.

2. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

a) Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time.

b) Basis of preparation of financial statements

These financial statements have been prepared and presented under the historical cost convention with the following exceptions:-

- certain financial assets and liabilities
- defined benefit plans – plan assets measured at fair value
- share-based payments.

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.

c) Use of estimates and critical accounting judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in note 4.

d) Current – Non-current classification

All assets and liabilities are classified into current and non-current assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in the company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is expected to be realised within 12 months after the reporting date; or
d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is due to be settled within 12 months after the reporting date; or
d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Based on the nature of manufacturing activity and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle for the purpose of current – non-current classification of assets and liabilities:

· as 12 months for the gases and related products of the Company
· as 24 months for the Project Engineering Division of the Company which are engaged in the manufacture and construction of cryogenic and non-cryogenic air separation plants.

e) Revenue recognition

A. Sale of Products

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring control of promised good to a customer. Performance obligation in respect of sale of product is satisfied at a point in time which usually occurs upon receipt of goods by the customer. At that point, the customer has full discretion over the channel and price to sell the products, and there are no unfulfilled obligations that could affect the customer's acceptance of the product.

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

B. Sale of Services

In respect of sale of services, performance obligation is satisfied over time when the entity renders services to customers. Revenue from services rendered is recognised as the services are rendered and is booked based on agreement / arrangements with the concerned parties.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

C. Revenue from Construction

Revenue from construction/project related activity is recognised as follows:

The Company generally has fixed price contracts in respect of which contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

When Contract revenue recognized till date exceed progress billing, the excess is shown as unbilled revenue. For contracts where progress billings exceed the contract revenue till, the excess is shown as advance from customer. Amounts received before the related work is performed are included as a liability as advance from customer.

Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognized in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the Company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations).

D. Interest & Dividend Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Income from dividend is recognised when right to receive payment is established.

E. Other Income

Other Incomes are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

f) Property, Plant and equipment

Freehold Land is carried at historical cost. Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation or accumulated impairment loss, if any. Cost of item of property, plant and equipment includes purchase price, taxes, non- refundable duties, freight and other costs that are directly attributable to bringing assets to their working condition for their intended use. Expenses capitalised include applicable borrowing costs for qualifying assets, if any.

This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The residual values, useful lives and method of depreciation of Property, Plant & Equipment is reviewed at each financial year and adjusted prospectively, if any.

Spares that can be used only with particular items of plant and machinery and such usage is expected to be for more than once accounting period are capitalized.

Property, Plant and Equipment under construction are recognized as capital work in progress.

g) Provision for Decommissioning, Restoration and Similar Liabilities

The Company has liabilities related to dismantling (restoration of soil) and other related works, which are due upon the closure of certain of its production sites. Such liabilities are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology and discounted using a discount rate where the effect of time value of money is material.

Future dismantling and restoration costs discounted to net present value, are capitalised and the corresponding dismantling liability is recognized as soon as the obligation to incur such costs arises. Future dismantling costs are capitalised in property, plant and equipment as appropriate and are depreciated over the life of the related asset. The effect of the time value of money on the dismantling and restoration costs liability is recognised in the statement of profit and loss.

h) Goodwill and other Intangible assets

Goodwill arising on acquisition of business is measured at cost less any accumulated impairment loss. Goodwill is assessed at every balance sheet date for any impairment.

Intangible assets are only recognized when it is probable that associated future economic benefits would flow to the Company.

Intangibles in respect of non- compete and customer relationships acquired in a business combination are recognized at fair value at the acquisition date. They have a finite useful life and are subsequently carried at costs less accumulated amortization and accumulated impairment losses, if any.

Intangible assets in respect of software's acquired separately are measured on initial recognition at cost. Following initial recognition, they are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are derecognised either on their disposal or where no future economic benefits are expected from their use. Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Subsequent to initial recognition, intangible assets with definite useful lives are reported at cost less accumulated amortisation and accumulated impairment losses.

i) Depreciation of Property, Plant and Equipment

Depreciation is computed as per the straight line method based on the management's estimate of useful life of a property, plant and equipment. Land is not depreciated but subject to impairment. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised.

The following useful lives apply to the different types of tangible assets:

Buildings	4 – 30 Years
Plant and Equipment	10 – 42 Years
Furniture and fixtures	5 – 10 Years
Vehicles	3 -15 Years
Office Equipment	1- 15 Years

Freehold land is not depreciated.

Assets individually costing Rs. 10,000 or less are fully depreciated in the year of acquisition.

Spares capitalized are being depreciated over the useful life / remaining useful life of the plant and machinery with which such spares can be used.

Schedule II to the Companies Act, 2013 ("Schedule") prescribes the useful lives for various classes of tangible assets. For certain class of assets, based on the technical evaluation and assessment, the Company believes that the useful lives adopted by it best represent the period over which an asset is expected to be available for use. Accordingly, for these assets, the useful lives estimated by the Company are different from those prescribed in the Schedule.

The useful lives are reviewed atleast at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

j) Amortisation of Intangible assets

Intangible assets except Goodwill are amortised in Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis.

The estimated useful lives of Intangible Assets are as follows:

Software	6 Years
Non-compete fee	15 Years
Customer Relationship	25 Years

The useful lives are reviewed atleast at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

k) Impairment of non financial assets

The carrying amounts of property, plant & equipment, capital work in progress and intangible assets are reviewed at each Balance Sheet date, to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amounts are estimated at each reporting date. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). An impairment loss is recognised whenever the carrying amount of an asset or the cash generating unit exceeds the corresponding recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss recognized for goodwill is not reversed in a subsequent period unless the impairment loss was caused by a specific external event of an exceptional nature that is not expected to recur, and subsequent external events have occurred that reverse the effect of that event.

l) Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

m) Inventories

Inventories of raw materials, components and stores and spare parts are valued at lower of cost and net realisable value. Cost includes purchase price, duties and taxes (other than those subsequently recoverable by the Company from taxing authorities), freight inward and other expenditure in bringing inventories to present locations and conditions. In determining the cost, weighted average cost method is used. The carrying costs of raw materials, components and stores and spare parts 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.

Finished goods are valued at the lower of cost and net realisable value. The comparison of cost and net realisable value is made on an item by item basis. Cost comprises of direct material and labour expenses and an appropriate portion of production overheads incurred in bringing the inventory to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of the production facilities. Cost is determined on a weighted average basis.

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

Costs incurred on long term construction contracts representing general purpose item of inventories are disclosed as contract work in progress net of provision for loss.

n) Leases

The Company has adopted Ind AS 116 “Leases” and applied the standard to all lease contracts.

Company as a lessee

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term. When the lease liability is remeasured due to change in contract terms, a corresponding change is made to the carrying amount of right-of-use asset, or is recorded in the profit and loss account if the carrying amount of right-of-use asset is reduced to zero.

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance lease. Such assets acquired are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

Company as lessor

In respect of assets given on operating lease, the lease rental income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

o) Employee benefits

The Company’s obligation towards various employee benefits have been recognized as follows:

Short term benefits
Employee benefits payable wholly within twelve months of receiving employees services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and exgratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees. The company recognizes a liability & expense for bonuses. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Post-employment Benefits
Defined contribution plans
The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plans
Recognition and measurement of defined benefit plans:
For defined benefit schemes i.e. gratuity, superannuation and post-retirement medical benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognized immediately in other comprehensive income. Such re-measurements are not re-classified to the Statement of Profit & Loss in the subsequent period. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The defined benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value of plan assets.

Other long-term employee benefits
Compensated absences
Liabilities recognised in respect of other long-term employee benefits such as annual leave and sick leave are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date using the projected unit credit method with actuarial valuation being carried out at each year end balance sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized based on actuarial valuation.

Termination Benefits
Termination Benefits, in the nature of voluntary retirement benefits or Termination Benefits arising from restructuring, are recognized in the Statement of Profit & Loss. The Company recognizes Termination Benefits at the earlier of the following dates:

(a) when the Company can no longer withdraw the offer of these benefits, or
(b) when the Company recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value

p) Share based Payments
Share-based compensation benefits are provided to employees under Long Term Incentive Plan which permits the grant of Non-qualified Stock Options, Restricted Stock Units and Performance stock Units. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in Employee Stock Options Outstanding Account in equity, over the period in which the performance and/ or service conditions are fulfilled, in Employee Benefit Expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. Stock options which are equity settled options, is granted, subject to the terms and provisions of the Plan, to participants as determined by the Committee, in its sole discretion. Each option granted shall be evidenced by an award agreement that shall specify the option price, the term of the option, the number of shares to which the option pertains, the conditions, including any performance goals, upon which an option shall become vested and exercisable, and such other terms and conditions as the committee shall determine which are not inconsistent with the terms of the Plan. PSU and RSU which are equity settled options are granted under the 2009 Plan to senior level executives that vest over a period of three years. The exercise price is Nil. Linde Plc cross charges the amount to the Company, determined based on the fair value of the shares on vesting of PSU and RSU at the end of three years.

q) Foreign exchange transactions
Foreign exchange transactions are recorded at the exchange rate prevailing on the date of the transactions. Year-end monetary assets and liabilities denominated in foreign currencies are

translated at the year-end foreign exchange rates. Non- Monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Non-monetary items, measured at fair value denominated in a foreign currency are translated using the exchange rates that existed when the fair value was determined.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income (OCI) or profit and loss are also recognised in OCI or profit and loss, respectively).

r) Provisions, contingent liabilities and contingent assets

A provision is reconised when there is a present obligation (legal or constructive) as a result of a past event that probably requires an outflow of resources and 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 discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Constructive obligation is an obligation that derives from an entity's actions where:

(a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and;
(b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are generally not recognized but are disclosed when inflow of economic benefit is probable.

Provisions, Contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

s) Income taxes

Tax expense for the year comprises current tax and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction and there is an intention to settle the asset & liability on a net basis.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case tax is also recognized in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

t) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of equity shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

u) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and 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 and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at Transaction price.

(a) Financial assets

i. Financial assets at amortised cost:

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model 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.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

ii. Financial assets measured at fair value

Fair Value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these 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.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the OCI. However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit and loss. Interest earned while holding a FVTOCI instrument is reported as interest income using the effective interest rate method.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Fair value through the statement of profit and loss (FVTPL)

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss. Fair value changes are recognized in the Statement of Profit & Loss at each reporting period.

iii. Cash and bank balances

Cash and bank balances consist of:

(i) Cash and cash equivalents - which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

(ii) Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

iv. Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenues which are not fair valued through profit or loss. The Company recognises life time expected credit losses for all trade receivables and unbilled revenues that do not constitute a financing transaction. For all other financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition. The Impairment losses and reversals are recognized in the Statement of Profit & Loss.

v. De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a collateralised borrowing for the proceeds received. On de-recognition of a Financial Asset (except for Financial Assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit & Loss.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The differences between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit & Loss.

Derivative financial instruments and hedge accounting

The Company enters into forward contracts and principal and interest swap contracts to hedge its risks associated with foreign currency and variable interest rate fluctuations related to existing financial assets and liabilities, certain firm commitments and forecasted transactions. These derivative contracts are being considered as cash flow hedge.

The use of hedging instruments is governed by the Company's policies approved by the Board of Directors. The Company does not use these contracts for trading or speculative purposes.

To designate a forward contract/ swap contract as an effective hedge, management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract whether the contract is effective in offsetting cash flows attributable to the hedged risk.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The Company adopts hedge accounting for forward and interest rate contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item or transaction and the nature of the risk being hedged. At inception each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the statement of profit and loss. The effective portion is recognized in Other Comprehensive Income.

When hedge accounting is applied:

· for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives

· for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in equity and the ineffective portion is taken to the statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognized in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

v) Onerous contracts
A provision for onerous contracts is recognised in the statement of profit and loss when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

w) Non-current assets held for sale and discontinued operations
Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

x) Business Combinations
Business Combinations are accounted for using the acquisition method of accounting, except for common control transactions which are accounted using the pooling of interest method that is accounted at carrying values. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities assumed at their acquisition date i.e. the date on which control is acquired.

Goodwill arising on business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the fair value of net identifiable assets acquired and liabilities assumed. After initial recognition, Goodwill is tested for impairment annually and measured at cost less any accumulated impairment losses if any.

y) Segment Reporting
Operating Segments are reported in a manner consistent with the information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance based on product and services.

z) Rounding of amounts
All amounts disclosed in the financial statements and notes have been rounded of to the nearest million as per the requirement of Schedule III.

3. Recent Accounting Pronouncements

Ministry of Corporate Affairs (“MCA”) has notified the following new amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2023.

Amendment to Ind AS 1 “Presentation of Financial Instruments”
The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information is material if, together with other information can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Amendment to Ind AS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”
The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting

estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities use measurement techniques and inputs to develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Amendment to Ind AS 12 “Income Taxes”

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. Company does not expect this amendment to have any significant impact in its financial statements.

3.1 New and amended standards adopted by the Company

The Ministry of Corporate Affairs, vide notification dated 23rd March, 2022, had notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards with effect from 1st April, 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

4. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting principles which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

(i) Estimation of Expected Useful Lives of Property, Plant and Equipment and Intangible assets

The estimated useful lives of property, plant and equipment and intangible assets are based on a number of factors including the effects of obsolescence, demand, competition, historical experience, internal assessment of user experience and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset. The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period

(ii) Accounting for revenue from contracts wherein company satisfies performance obligation and recognises revenue over time

For contracts wherein performance obligation are satisfied over time, an entity recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation, in order to depict an entity’s performance in transferring control of goods or services promised to a customer. This method requires estimates of the total revenue and total costs of the contract, as well as measurement of progress achieved to date as a proportion of the total work to be performed. This involves determination of margin to be recognised on the contract, which are dependent on the total costs to complete contracts, that is, the cost incurred till date and estimation of future cost to complete the contract and price variations etc. This estimation involves exercise of significant judgement by the management in making cost forecasts considering future activities to be carried out in the contract, and the related assumptions etc. Experience reduces but does not eliminate the risk that estimates may change significantly.

(iii) Employee Benefits (Estimation of Defined Benefit Obligations)

Post-employment benefits like gratuity, post-retirement medical benefits etc represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee’s approximate service period, based on the terms of the plans and the investment and funding decisions made. These obligations are determined using actuarial valuation, which requires the Company to make assumptions regarding variables such as discount rate’ salary growth rates. Mortality rates etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

(iv) Litigations, Claims and Contingencies

Due to the uncertainty inherent in matters relating to litigation, claims and contingencies, it is often difficult to predict the final outcome. The cases and claims against the Company often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. The Company consults with legal counsel and other experts on matters related to specific litigations where considered necessary. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimatedContingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(v) Warranties

The Company's product warranty obligations and estimations thereof are determined using historical information of claims received up to the year end and the management's estimate of further liability to be incurred in this regard during the warranty period Any changes in such trends can materially affect warranty expenses.

(vi) Asset Restoration cost

The Company estimates the expected amount that it may have to incur towards liabilities related to restoration of soil and other related works, which are due upon the closure of certain of its onsite plants. Such liabilities are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology and discounted using an appropriate discount rate. Any change in estimates will affect the amount of obligation towards asset restoration cost.

5. Property, plant and equipment and Capital work- in- progress

in Rupees million	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total Tangible Assets	Capital work in progress	Total tangible assets including capital work in progress
I.Cost/Deemed cost as at 1 January 2022	**193.39**	**991.26**	**26,919.46**	**42.68**	**63.84**	**165.97**	**28,376.60**	**680.40**	**29,057.00**
Additions	0.09	30.67	1,276.12	-	144.36	33.17	1,484.41	3,043.77	4,528.18
Disposals	-	-	(287.83)	(0.33)	(6.27)	(1.85)	(296.28)	-	(296.28)
Assets capitalised during the period	-	-	-	-	-	-	-	(1,471.88)	(1,471.88)
Cost /Deemed cost as at 31 March 2023	**193.48**	**1,021.93**	**27,907.75**	**42.35**	**201.93**	**197.29**	**29,564.73**	**2,252.29**	**31,817.02**
II. Accumulated depreciation and impairment									
Balances as at 1 January 2022	**-**	**310.09**	**9,742.93**	**30.37**	**40.29**	**148.98**	**10,272.66**	**-**	**10,272.66**
Depreciation expense for the period	-	67.24	2,385.59	4.59	21.29	12.90	2,491.61	-	2,491.61
Disposals	-	-	(271.96)	(0.33)	(6.27)	(1.85)	(280.41)	-	(280.41)
Balances as at 31 March 2023	**-**	**377.33**	**11,856.56**	**34.63**	**55.31**	**160.03**	**12,483.86**	**-**	**12,483.86**
Net carrying value as at 31 March 2023	**193.48**	**644.60**	**16,051.19**	**7.72**	**146.62**	**37.26**	**17,080.87**	**2,252.29**	**19,333.16**
Net carrying value as at 1 January 2021	193.39	681.17	17,176.53	12.31	23.55	16.99	18,103.94	680.40	18,784.34

5. Property, plant and equipment and Capital work- in- progress

in Rupees million	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total Tangible Assets	Capital work in progress	Total tangible assets including capital work in progress
I.Cost/Deemed cost as at 1 January 2021	212.27	968.33	26,767.42	45.83	48.94	166.76	28,209.55	170.58	28,380.13
Additions	-	35.48	344.47	-	16.13	0.56	396.64	1,114.08	1,510.72
Disposals	(0.76)	(12.55)	(192.43)	(3.15)	(1.23)	(1.35)	(211.47)	-	(211.47)
Assets capitalised during the year	-	-	-	-	-	-	-	(604.26)	(604.26)
Classified as Assets held for sale (refer note 16)	(18.12)	-	-	-	-	-	(18.12)	-	(18.12)
Cost /Deemed cost as at 31 December 2021	193.39	991.26	26,919.46	42.68	63.84	165.97	28,376.60	680.40	29,057.00
II. Accumulated depreciation and impairment									
Balances as at 1 January 2021	-	270.34	8,067.30	28.93	22.20	136.01	8,524.78	-	8,524.78
Depreciation expense for the year	-	43.42	1,713.94	4.37	19.24	14.28	1,795.25	-	1,795.25
Disposals	-	(3.67)	(38.31)	(2.93)	(1.15)	(1.31)	(47.37)	-	(47.37)
Balances as at 31 December 2021	-	310.09	9,742.93	30.37	40.29	148.98	10,272.66	-	10,272.66
Net carrying value as at 31 December 2021	193.39	681.17	17,176.53	12.31	23.55	16.99	18,103.94	680.40	18,784.34
Net carrying value as at 1 January 2021	212.27	697.99	18,700.12	16.90	26.74	30.75	19,684.77	170.58	19,855.35

The above includes following assets given on operating lease:

	Buildings	Plant and Equipment	Total Tangible Assets
Cost/Deemed cost as at 1 January 2022	421.16	19,249.27	19,670.43
Accumulated Depreciation	202.03	8,415.77	8,617.80
Net carrying value as at 31 March 2023	219.13	10,833.50	11,052.63
Depreciation expense for the period	24.70	1,559.03	1,583.73
Cost/Deemed cost as at 1 January 2021	421.16	19,249.27	19,670.43
Accumulated Depreciation	177.33	6,856.74	7,034.07
Net carrying value as at 31 December 2021	243.83	12,392.53	12,636.36
Depreciation expense for the year	19.78	1,154.09	1,173.87

a) Refer Note 37 for disclosure of contractual commitments

b) Refer Note 16 for Asset held on sale

5. Property, plant and equipment and Capital work- in- progress (Contd...)

a) Ageing of Capital work-in-progress (CWIP) as at 31 March 2023

Particulars	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	737.40	1,469.08	38.44	7.37	2,252.29
	737.40	1,469.08	38.44	7.37	2,252.29

Ageing of Capital work-in-progress (CWIP) as at 31 December 2021

Particulars	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	546.54	86.45	40.34	7.07	680.40
	546.54	86.45	40.34	7.07	680.40

There are no projects that are temporarily suspended as at the end of the current or previous reporting period.

b) Completion schedule for capital work-in-progress whose completion is overdue compared to its original plan: as at 31 March 2023

Particulars	To be completed in				Total
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	
Customer Installations	163.80	78.26	15.28	-	257.34
Others including distribution & operation equipments	724.93	119.54	25.25	0.66	870.38
	888.73	197.80	40.53	0.66	1,127.72

Completion schedule for capital work-in-progress whose completion is overdue compared to its original plan: as at 31 December 2021

Particulars	To be completed in				Total
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	
Customer Installations	38.05	65.03	9.27	5.12	117.47
Others including distribution & operation equipments	174.55	93.56	23.13	5.07	296.31
	212.60	158.59	32.40	10.19	413.78

Note:

i) Capital work in progress mainly comprises of new air separation plants being constructed in India

ii) There is no capital work in progress which has exceeded its cost compared to its orignal plan

6. Right of Use Asset

in Rupees million	Land	Buildings	Plant and Equipment	Total
I. Cost/Deemed cost as at 1 January 2022	**171.32**	**43.29**	**190.57**	**405.18**
Additions	-	-	-	-
Disposals	-	(9.72)	-	(9.72)
Cost/Deemed cost as at 31 March 2023	**171.32**	**33.57**	**190.57**	**395.46**
II. Accumulated amortisation				
Balances as at 1 January 2022	**9.68**	**18.13**	**4.17**	**31.98**
Amortisation expense for the period	5.91	7.09	16.67	29.67
Disposals	-	(6.21)	-	(6.21)
Balances as at 31 March 2023	**15.59**	**19.01**	**20.84**	**55.44**
Net carrying value as at 31 March 2023	**155.73**	**14.56**	**169.73**	**340.02**
Net carrying value as at 1 January 2022	161.64	25.16	186.40	373.20

in Rupees million	Land	Buildings	Plant and Equipment	Total
I. Cost/Deemed cost as at 1 January 2021	**171.32**	**43.29**	**6.35**	**220.96**
Additions	-	-	184.22	184.22
Disposals	-	-	-	-
Cost/Deemed cost as at 31 December 2021	**171.32**	**43.29**	**190.57**	**405.18**
II. Accumulated amortisation				
Balances as at 1 January 2021	**4.96**	**11.14**	**1.06**	**17.16**
Amortisation expense for the year	4.72	6.99	3.11	14.82
Disposals	-	-	-	-
Balances as at 31 December 2021	**9.68**	**18.13**	**4.17**	**31.98**
Net carrying value as at 31 December 2021	**161.64**	**25.16**	**186.40**	**373.20**
Net carrying value as at 1 January 2021	166.36	32.15	5.29	203.80

Note:

i) During the period ended 31 March 2023, total cash outflow in respect of leases amounted to **Rs 43.12 million** (31 Dec 2021: Rs. 25.70 million)

ii) Extension and termination options are included in the Company's lease contract. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The extension and termination options held are exerciseable by mutual consent of both the lessor and the lessee.

7A. Goodwill

	Total
I. Cost/Deemed cost as at 1 January 2022	89.34
Additions	-
Cost/Deemed cost as at 31 March 2023	89.34
II. Accumulated Impairment loss	
Balances as at 1 January 2022	-
Impairment losses for the period	-
Balances as at 31 March 2023	-
Net carrying value as at 31 March 2023	89.34
Net carrying value as at 1 January 2022	89.34

	Total
I. Cost/Deemed cost as at 1 January 2021	-
Additions	89.34
Cost/Deemed cost as at 31 December 2021	89.34
II. Accumulated Impairment loss	
Balances as at 1 January 2021	-
Impairment losses for the year	-
Balances as at 31 December 2021	-
Net carrying value as at 31 December 2021	89.34
Net carrying value as at 1 January 2021	-

7B. Other Intangible assets

in Rupees million	Software	Non-Compete Fees	Customer Relationship	Total Other Intangible assets
I. Cost/Deemed cost as at 1 January 2022	25.98	19.25	107.49	152.72
Additions	2.43	-	-	2.43
Disposals	-	-	-	-
Cost/Deemed cost as at 31 March 2023	28.41	19.25	107.49	155.15
II. Accumulated amortisation and impairment				
Balances as at 1 January 2022	25.28	7.65	0.73	33.66
Amortisation expense for the period	0.85	1.02	5.50	7.37
Disposals	-	-	-	-
Balances as at 31 March 2023	26.13	8.67	6.23	41.03
Net carrying value as at 31 March 2023	2.28	10.58	101.26	114.12
Net carrying value as at 1 January 2022	0.70	11.60	106.76	119.06

in Rupees million	Software	Non-Compete Fees	Customer Relationship	Total Other Intangible assets
I. Cost/Deemed cost as at 1 January 2021	25.88	7.51	-	33.39
Additions	0.10	11.74	107.49	119.33
Disposals	-	-	-	-
Cost/Deemed cost as at 31 December 2021	25.98	19.25	107.49	152.72
II. Accumulated amortisation and impairment				
Balances as at 1 January 2021	22.55	7.51	-	30.06
Amortisation expense for the year	2.73	0.14	0.73	3.60
Disposals	-	-	-	-
Balances as at 31 December 2021	25.28	7.65	0.73	33.66
Net carrying value as at 31 December 2021	0.70	11.60	106.76	119.06
Net carrying value as at 1 January 2021	3.33	-	-	3.33

8. Investments

in Rupees million	As at 31 Mar 2023		As at 31 Dec 2021	
	Quoted	Unquoted	Quoted	Unquoted
Non-Current				
Investments in equity instruments				
A. Joint venture (classified at cost)				
Linde South Asia Services Private Ltd. (formerly known as LSAS Services Private Limited)	-	178.83	-	92.53
2,000,000 equity shares of Rs. 10 each				
(31 Dec 2021: 2,000,000 equity shares of Rs. 10 each)				
	-	178.83	-	92.53
B. Associates* (classified at fair value through Profit & Loss)				
Avaada Mhyavat Private Limited	-	113.75	-	-
11,375,000 equity shares of Rs. 10 each				
(31 Dec 2021: NIL)				
FPEL Surya Private Limited	-	16.79	-	-
1,539,000 equity shares of Rs. 10 each				
(31 Dec 2021: NIL)				
FP Solar Shakti Private Limited	-	10.44	-	-
1,650,465 equity shares of Rs. 10 each				
(31 Dec 2021: NIL)				
	-	140.98	-	-
C. Others (classified at fair value through OCI)				
JSW Steel Limited	0.69	-	0.66	-
1,000 shares of Re. 1 each				
(31 Dec 2021: 1,000 shares of Re. 1 each)				
	0.69	-	0.66	-
	0.69	319.81	0.66	92.53
Additional Information				
Aggregate amount of quoted investments and market value thereof	0.69	-	0.66	-
Aggregate amount of unquoted investments	-	319.81		92.53

*Considering the terms and conditions these investments under IND AS 28 are classified as associates. (Refer Note 1)

** There is no impairment of investments during the period & the previous year

9. Other financial assets

in Rupees million	As at 31 Mar 2023		As at 31 Dec 2021	
	Non current	Current	Non current	Current
Unsecured, considered good unless otherwise stated				
Loans to employees	-	0.23	-	4.39
Receivables for recovery of expenses*	-	20.83	-	105.17
Security deposits	156.78	32.78	138.99	0.44
Finance lease receivable	3.58	5.99	10.86	4.44
Earmarked deposits with banks#		28.66	-	-
Interest accrued on bank deposit	-	58.06	-	24.77
	160.36	146.55	149.85	139.21

Represents earnest money deposits held with banks
* Refer Note 45 for Related Party Balances

10. Non Current tax assets (net)

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Advance tax [net of provision for income tax of Rs.5,448.64 Million (31 December 2021: Rs. 5,068.14 Million)]	330.68	146.20
	330.68	146.20

11. Other assets

in Rupees million	As at 31 Mar 2023		As at 31 Dec 2021	
	Non current	Current	Non current	Current
Unsecured, considered good unless otherwise stated				
Capital advances	632.80	-	77.49	-
Advances for supplies/ services*	-	877.10	-	1,263.75
Advance with public bodies and tax authorities				
Customs, excise, sales tax,etc.	414.62	-	366.57	-
GST receivable	-	703.23	-	412.38
Unbilled revenue*	1,188.94	1,215.64	1,276.64	1,816.34
Prepaid expenses	106.93	81.33	7.33	11.09
Advance to employees	-	7.42	-	2.96
	2,343.29	2,884.72	1,728.03	3,506.52

* Refer Note 44 for Related Party Balances

12. Inventories

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Raw materials	16.63	9.98
Work in progress	22.16	17.16
Finished goods	320.99	258.98
Stores and spares	414.33	404.92
	774.11	691.04

i) Finished goods Includes Goods in Transit of **NIL** (31 Dec 2021: Rs.2.03 million)

ii) The value of stores and spares above is after providing for slow moving and obsolete spares of **Rs. 198.99 million** (31 Dec 2021: Rs. 189.17 million)

13. Trade receivables

in Rupees million	As at 31 Mar 2023 Non current	As at 31 Mar 2023 Current	As at 31 Dec 2021 Non current	As at 31 Dec 2021 Current
Trade receivables from contract with customer - billed	309.21	4,104.05	-	3,384.31
Trade receivables from contract with customer - unbilled	-	285.52	-	273.11
Trade receivables from contract with customer -related party (Refer note 44)	-	544.71	-	800.23
Less : Loss allowance	-	166.37	-	225.97
Total receivables	**309.21**	**4,767.91**	-	**4,231.68**
Break up of security details				
Unsecured, considered good	309.21	4,896.22	-	4,426.98
which have significant increase in credit risk	-	-	-	-
Credit Impaired	-	38.06	-	30.67
Unsecured, considered doubtful	-	-	-	-
Less: Allowance for credit losses	-	166.37	-	225.97
	309.21	**4,767.91**	-	**4,231.68**

The Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on trade receivables. For this purpose, the Company follows a "simplified approach" for recognition of impairment loss allowance on the trade receivable balances. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Further, need for incremental provisions have been evaluated on a case to case basis considering forward-looking information based on the financial health of a customer if available, litigations/disputes etc.

a) Ageing of trade receivables as at 31 March 2023

Particulars	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables								
considered good - unsecured	285.52	3,660.76	933.37	134.40	8.77	4.45	135.55	5,162.82
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
considered good - unsecured	-	-	0.54	-	-	-	42.08	42.62
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	0.07	0.05	-	1.46	2.50	33.97	38.05
	285.52	3,660.83	933.96	134.40	10.23	6.95	211.60	5,243.49

Ageing of trade receivables as at 31 December 2021

Particulars	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables								
considered good - unsecured	273.12	2,815.17	613.37	390.07	78.20	38.84	153.84	4,362.61
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
considered good - unsecured	-	0.07	13.83	0.70	2.50	5.19	42.08	64.37
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	14.37	8.95	1.85	1.01	4.49	30.67
	273.12	2,815.24	641.57	399.72	82.55	45.04	200.41	4,457.65

b) Loss allowances as at 31 March 2023

Particulars	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed – considered good	285.52	3,660.76	933.37	134.40	8.77	4.45	135.55	5,162.82
Disputed - considered good	-	-	0.54	-	-	-	42.08	42.62
Disputed - credit impaired	-	0.07	0.05	-	1.46	2.50	33.97	38.05
	285.52	3,660.83	933.96	134.40	10.23	6.95	211.60	5,243.49
Expected Loss rate	0%	0%	1%	1%	80%	19%	68%	
Expected Credit Losses - Trade receivables	-		11.19	0.80	8.14	1.32	144.92	166.37
Carrying amount Trade receivables (net of impairments)	**285.52**	**3,660.83**	**922.77**	**133.60**	**2.09**	**5.63**	**66.68**	**5,077.12**

Loss allowances as at 31 December 2021

Particulars	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed – considered good	273.12	2,815.17	613.37	390.07	78.20	38.84	153.84	4,362.61
Disputed - considered good	-	0.07	13.83	0.70	2.50	5.19	42.08	64.37
Disputed - credit impaired	-	-	14.37	8.95	1.85	1.01	4.49	30.67
	273.12	2,815.24	641.57	399.72	82.55	45.04	200.41	4,457.65
Expected Loss rate	0%	0%	4%	1%	85%	67%	49%	
Expected Credit Losses - Trade receivables	-	-	23.90	3.69	69.84	30.38	98.16	225.97
Carrying amount Trade receivables (net of impairments)	**273.12**	**2,815.24**	**617.67**	**396.03**	**12.71**	**14.66**	**102.25**	**4,231.68**

c) Movements in allowance for expected credit losses of receivables is as below:

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Balance at the beginning of the period	**225.97**	**332.36**
Allowances made during the period	47.58	98.87
Release to statement of profit and loss	(59.77)	(106.64)
Bad debt written off	(47.41)	(98.62)
Balance at the end of the period	**166.37**	**225.97**

d) There is no outstanding debts due from directors or other officers of the Company.

14. Cash and cash equivalents

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Cash on hand	-	-
Balances with banks		
In Current account	239.09	80.43
In Deposit account - Original maturity of 3 months or less	11,627.00	9,752.50
	11,866.09	9,832.93

15. Other balances with bank

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
In Deposit accounts		
Original maturity more than 3 months#	-	1.87
Earmarked balances with banks		
Escrow Account fixed deposits##	41.46	39.36
Unclaimed dividend accounts	7.38	5.57
	48.84	46.80

these deposits have been lien marked against earnest money deposits
these deposits are payable on satisfaction of terms and conditions

16. Assets classified as held for sale

The Assets classified as held for sale comprises of Investment in Joint Venture company, Bellary Oxygen Company Private Limited (Belloxy). Land at Parwada, Vizag appearing as asset held for sale in previous year was disposed off during the current period.

The major classes of assets held for sale are as below:

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Assets classified as held for sale:		
Land	-	18.12
Investments in joint venture	168.95	216.59
	168.95	234.71

17. Equity Share Capital

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Authorised:		
86,000,000 Equity Shares of Rs. 10 each	860.00	860.00
(31 Dec 2021: 86,000,000 Equity Shares of Rs. 10 each)		
	860.00	860.00
Issued:		
85,286,209 Equity Shares of Rs. 10 each	852.86	852.86
(31 Dec 2021: 85,286,209 Equity Shares of Rs. 10 each)		
Subscribed and paid up :		
85,284,223 Equity Shares of Rs. 10 each	852.84	852.84
(31 Dec 2021: 85,284,223 Equity Shares of Rs. 10 each)		
	852.84	852.84

i) The movement in subscribed and paid up share capital is as below:

in Rupees million	As at 31 Mar 2023		As at 31 Dec 2021	
		Share capital		Share capital
	No of Shares	Amount in Rs. Million	No of Shares	Amount in Rs. Million
Balance at the beginning of the period	8,52,84,223	852.84	8,52,84,223	852.84
Shares issued during the period	-	-	-	-
Balance at the end of the period	8,52,84,223	852.84	8,52,84,223	852.84

ii) Shares held by holding company/ utlimate holding company/ or their subsidiaries/associates

in Rupees million	As at 31 Mar 2023		As at 31 Dec 2021	
	No of Shares	Amount in Rs. Million	No of Shares	Amount in Rs. Million
The BOC Group Ltd,U.K., holding company	6,39,63,167	639.63	6,39,63,167	639.63

iii) Particulars of promoters shareholding

in Rupees million	As at 31 Mar 2023			As at 31 Dec 2021		
	No of Shares	% of total shares in class	% of change during the period	No of Shares	% of total shares in class	% of change during the year
The BOC Group Ltd,U.K., holding company	6,39,63,167	75.00%	-	6,39,63,167	75.00%	-

iv) Particulars of shareholders holding more than 5% shares in the company is as below:

in Rupees million	As at 31 Mar 2023		As at 31 Dec 2021	
	No of Shares	% of total shares in class	No of Shares	% of total shares in class
The BOC Group Ltd,U.K., holding company	6,39,63,167	75.00%	6,39,63,167	75.00%
Nippon Life India Trustee Limited (Formerly Reliance Capital Trustee Co. Ltd)	31,34,261	3.68%	47,86,233	5.61%

v) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividend and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholders on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

18. Other equity

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Securities Premium	6,972.52	6,972.52
General Reserve	995.67	995.67
Retained Earnings	22,560.66	18,324.88
Share based payment expense	16.34	-
Equity instruments through other comprehensive income	2.97	2.94
	30,548.16	26,296.01

18 A. Movement in other equity

in Rupees million	Reserve and Surplus			Equity instruments through other comprehensive Income	Stock Options outstanding account	Total
	Securities Premium	General Reserve	Retained Earnings			
Balance as at 1 January 2021	6,972.52	995.67	13,521.77	0.29	-	21,490.25
Profit for the year	-	-	5,072.18	-	-	5,072.18
Payment of Dividends*	-	-	(255.85)	-	-	(255.85)
Other Comprehensive Income (net of taxes)	-	-	(13.22)	2.65	-	(10.57)
Balance as at 31 Dec 2021	6,972.52	995.67	18,324.88	2.94	-	26,296.01
Profit for the period	-	-	5,380.59	-	-	5,380.59
Payment of Dividends**	-	-	(1,151.34)	-	-	(1,151.34)
Share based payment expense	-	-	-	-	16.34	16.34
Other Comprehensive Income (net of taxes)	-	-	6.53	0.03	-	6.56
Balance as at 31 Mar 2023	6,972.52	995.67	22,560.66	2.97	16.34	30,548.16

* Dividend of Rs 3.00 per share

** Dividend of Rs 13.50 per share including a special dividend of Rs 10.00 per share

18 B. Nature and purpose of reserves

(a) Securities Premium

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the "Companies Act").

(b) General Reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in general reserve during the current and previous period.

(c) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(d) Equity instruments through Other Comprehensive Income

This Reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments measured at fair value through Other Comrehensive Income, net of amounts reclassified, If any, to Retained Earnings when those instruments are disposed off.

19. Other financial liabilities

in Rupees million	As at 31 Mar 2023 Current	As at 31 Dec 2021 Current
Unclaimed dividends	7.38	5.57
Creditors for capital supplies and services	359.40	437.69
Security deposits from customers	123.83	118.83
Other employee liabilities	8.72	8.76
	499.33	570.85

20. Provisions

in Rupees million	As at 31 Mar 2023		As at 31 Dec 2021	
	Non current	Current	Non current	Current
Provision for employee benefits				
Retirement benefits obligations (refer note 38)				
Gratuity	52.31	-	54.57	-
Pension	71.38	-	109.89	-
Post retirement medical benefit	126.35	13.09	153.44	14.09
Other long-term employee benefits				
Compensated absences	56.92	9.46	31.20	4.66
Other provisions				
Asset restoration obligations [refer note (a)]	418.85	-	357.53	-
Provision for warranties [refer note (b)]	-	253.21	-	191.26
Provision for contingencies [refer note (c)]	-	190.14	-	196.00
	725.81	465.90	706.63	406.01

20.1 Movement in other provisions

in Rupees million	Asset restoration obligations	Provision for warranties	Provision for contingencies
Balance as at 1 January 2022	**357.53**	**191.26**	**196.00**
Add: Provision during the period*	61.32	87.05	-
Less: Utilised during the period	-	25.10	5.12
Less: Reversed during the period	-	-	0.74
Balance as at 31 March 2023	**418.85**	**253.21**	**190.14**
Balance as at 1 January 2021	**335.86**	**175.21**	**197.06**
Add: Provision during the year*	21.67	39.47	-
Less: Utilised during the year	-	23.42	1.06
Less: Reversed during the year	-	-	-
Balance as at 31 December 2021	**357.53**	**191.26**	**196.00**

* Includes **Rs 31.25 millions** (31 Dec 2021: Rs 22.85 millions) on account of unwinding of interest for asset restoration obligation.

(a) Provision for asset restoration obligation
Provision is towards estimated cost to be incurred on dismantling of plants at the customers' site upon expiry of the tenure of the contractual agreement with the customer. Such cost has been capitalised under plant and machinery.

(b) Provision for warranties
Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing and past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period which ranges from 6 months to 2 years.

(c) Provision for contingencies
Provision is the estimate towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for. The timing and probability of outflow and expected reimbursements, if any with regard to these matters depend on the ultimate outcome of the legal process or settlement/ conclusion of the matter with relevant authorities/ customers/ vendors etc.

21A. Deferred tax liabilities (net)

a) Movement of deferred tax

in Rupees million	As at 1 Jan 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 Mar 2023
Deferred tax liabilities				
Depreciation & amortisation	3,444.64	(1,095.30)	-	2,349.34
Finance income from finance lease arrangement	5.33	(3.26)	-	2.07
	3,449.97	**(1,098.56)**	-	**2,351.41**
Deferred tax assets				
Employee benefits	124.86	(10.50)	(31.49)	82.87
Provisions for doubtful receivables, contingencies , warranties	302.19	(149.66)	-	152.53
Interest expense on unwinding of asset restoration cost	19.87	85.55	-	105.42
Interest expense on Lease Liability	11.15	(3.92)	-	7.23
Others	100.65	(16.13)	-	84.52
	558.72	**(94.66)**	**(31.49)**	**432.57**
	2,891.25	**(1,003.91)**	**31.49**	**1,918.84**

in Rupees million	As at 1 Jan 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 Dec 2021
Deferred tax liabilities				
Depreciation & amortisation	3,558.18	(113.54)	-	3,444.64
Finance income from finance lease arrangement	6.55	(1.22)	-	5.33
	3,564.73	**(114.76)**	-	**3,449.97**
Deferred tax assets				
Employee benefits	118.50	(0.26)	6.62	124.86
Provisions for doubtful receivables, contingencies , warranties	309.91	(7.72)	-	302.19
Interest expense on unwinding of asset restoration cost	14.57	5.30	-	19.87
Interest expense on Lease Liability	11.23	(0.08)	-	11.15
Others	35.26	66.30	(0.91)	100.65
	489.47	**63.54**	**5.71**	**558.72**
Minimum Alternate Tax Credit Entitlement	754.35	(754.35)	-	-
	2,320.91	**576.05**	**(5.71)**	**2,891.25**

b) Income tax expense

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Current Tax		
Current income tax charge	1,806.18	1,330.76
Deferred Tax		
In respect of current year origination and reversal of temporary differences	(1,003.91)	576.06
	802.27	**1,906.82**

c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Profit Before tax	6,182.86	6,979.00
Statutory Income Tax Rate	25.170%	34.944%
Income Tax using the Company's domestic Tax rate	1,556.23	2,438.74
Tax Effect of :		
- Income Exempt from Tax/Items not deductible	23.68	(16.94)
- Effect of Income Taxable at lower rate (Capital Gains)	(6.42)	(507.94)
- Effect of change in tax rate on opening deferred tax	(838.06)	-
- Income from House Property	(2.70)	(2.03)
- Others	69.54	(5.01)
	802.27	1,906.82

The Company has elected to exercise lower tax rate of 22% (effective rate of 25.168%) permitted under the new tax rate regime under section 115BAA of the Income tax Act, 1961 for the tax year beginning 1 April 2022 and accordingly the income tax has been computed based on this new rate. Also, based on this new rate, the deferred tax assets & liabilities have been re-measured using this lower rate.

21B. Current tax liabilities (net)

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Provision for Income Taxes [Net of Advance tax of Rs.1320.89 Million (31 December 2021: Rs. NIL)]	78.72	-
	78.72	-

22. Other liabilities

in Rupees million	As at 31 Mar 2023		As at 31 Dec 2021	
	Non current*	Current	Non current*	Current
Advances received from customers	403.81	2,298.79	435.77	1,630.77
Advances received for Sale of Property Plant and Equipment	-	120.42	-	53.00
Statutory dues				
Tax deducted and collected at source	-	101.28	-	34.80
GST payable	-	308.54	-	163.36
Others	-	3.35	-	4.30
	403.81	2,832.38	435.77	1,886.23

* This includes advance received from customer for an indirect tax case, mobilisation advance from customers which are adjustable over a period, etc.

23. Trade payables

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Creditors for supplies and services		
Dues to micro and small enterprises	166.40	10.12
Others	5,285.17	5,867.46
	5,451.57	5,877.58

a) Ageing of trade payables as at 31 March 2023

Particulars	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	79.83	85.58	0.94	0.05	0.00	166.40
Others	3,150.23	15.01	1,733.13	198.40	32.76	155.64	5,285.17
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
	3,150.23	94.84	1,818.71	199.34	32.81	155.64	5,451.57

Ageing of trade payable as at 31 December 2021

Particulars	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	9.65	0.47	-	-	10.12
Others	2,242.29	575.13	2,333.20	189.34	158.46	369.04	5,867.46
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
	2,242.29	575.13	2,342.85	189.81	158.46	369.04	5,877.58

The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprise Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the company. The disclosure relating to Micro and Small Enterprises are as follows :

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
(i) (a) The principal amount remaining unpaid to supplier as at the end of the period	166.40	10.12
(b) The interest due thereon remaining unpaid to supplier as at the end of the period	1.72	0.24
(ii) The amount of interest paid by buyer in terms of section 18 , along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
(a) Principle	580.19	59.46
(b) Interest	-	-
(iii) Interest paid, other than under section 16 of MSMED Act, to suppliers reqistered under the MSMED Act, beyond the appointed date during the period	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under this act	3.12	0.65
(v) The amount of interest accrued during the period and remaining unpaid at the end of the accounting year	6.34	1.50
(vi) The amount of further interest remaining due & payable even in the suceeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	0.12

24. Revenue from operations

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Sale of Gases & related products	**18,937.58**	**14,076.05**
Sale of Products	18,937.58	14,076.05
Sale of Services	**3,045.43**	**2,437.81**
Sale of Services including facility fee, lease rentals, Operation & Maintenance charges	3,045.43	2,437.81
Revenue from construction contracts	**9,354.99**	**4,601.52**
Vessels, plant and other project engineering contracts	9,354.99	4,601.52
Other operating income	**17.20**	**4.20**
Export Incentive	13.32	-
Interest income on finance lease arrangement	3.88	4.20
	31,355.20	**21,119.58**

25. Other income

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Rent	24.24	19.40
Dividend income from Asset held for Sale	42.36	216.76
Dividend income from Investment classified at fair value through OCI	0.02	-
Profit on disposal of property, plant and equipment (Net)	113.79	-
Liabilities no longer required written back	231.93	-
Miscellaneous income	65.19	120.38
Interest income on unwinding of security deposits	1.44	1.02
Interest income on deposits	560.77	189.07
	1,039.74	**546.63**

26. Cost of materials consumed

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Inventory of materials at the begining of the period	9.98	7.98
Purchases	8,253.07	3,933.64
Less : Inventory of materials at the end of the period	16.63	9.98
	8,246.42	**3,931.64**

27. Purchase of stock in trade

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Air separation unit gases	3,116.46	1,999.15
Other cylinder gases	1,290.52	911.60
Others	-	1.22
	4,406.98	**2,911.97**

28.Changes in inventories of finished goods & work-in-progress

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Inventories at the beginning of the period		
Finished goods	258.98	283.94
Work-in-progress	17.16	18.64
	276.14	302.58
Less: Inventories at the closing of the period		
Finished goods	320.99	258.98
Work-in-progress	22.16	17.16
	343.15	276.14
	(67.01)	26.44

29. Employee benefit expenses

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Salaries and wages, including bonus	548.40	428.22
Share base payments	47.43	-
Contribution to provident and other funds*	19.38	60.04
Workmen and staff welfare expenses	23.50	14.22
	638.71	502.48

*Includes contribution to Provident fund, NPS, Gratuity & Pension funds

During the fifteen months period ended, the Company recognised an amount of Rs. 59.43 million (31 Dec 2021: Rs. 38.49 million) as remuneration to Key Managerial Personnel. The details of such remuneration is as below:

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Short term employee benefits	57.68	37.13
Post employment benefits	1.75	1.36
	59.43	38.49

The remuneration to key managerial personnel does not include provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Company as a whole.

30. Finance costs

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Interest expense on unwinding of asset restoration cost	31.25	22.85
Interest expense on lease liability	25.31	7.69
	56.56	30.54

31. Depreciation and amortisation expense

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Depreciation & impairment on tangible assets	2,491.61	1,795.25
Depreciation on Right of Use assets	29.67	14.82
Amortisation of intangible assets	7.37	3.60
	2,528.65	1,813.67

32. Other expenses

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Consumption of stores and spares	84.63	78.85
Repairs to buildings	25.21	5.49
Repairs to plant and machinery	377.00	260.12
Repairs to others	41.85	17.44
Freight and handling charges	1,586.53	1,318.26
Rent	14.48	15.22
Gain on foreign exchange transactions & translations(Net)	(2.19)	(0.95)
Rates and taxes	1.55	1.37
Insurance charges	127.70	101.29
Allowances for doubtful debts	(12.36)	(7.77)
Contract job expenses	294.92	345.14
Loss on disposal of property, plant and equipment (Net)	-	10.26
Provision for warranties (Net)	61.03	18.68
Technical support fees	541.02	464.29
Travelling expenses	108.54	28.31
Telephone and communication expenses	21.13	15.59
Support Services cost	1,607.57	1,308.88
Sitting fees & commission to independent directors	10.77	7.43
Corporate social responsibility expenditure	45.16	32.58
Miscellaneous expenses (refer note 33)	414.37	232.24
	5,348.91	4,252.72

33. Miscellaneous expenses under note 32 include auditors' remuneration

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
Auditor's remuneration and out-of-pocket expenses		
Audit fee	2.70	2.20
Limited reviews	2.10	2.15
Tax audit fee	1.00	1.00
Other Services	0.15	0.22
Reimbursement of expenses	0.75	0.25
	6.70	5.82

34. Exceptional Items

Exceptional item in 2021 represents profit of Rs 2,944.26 million on disposal of land and buildings pertaining to its closed factory (Packaged Gases Plant) at 48/1 Diamond Harbour Road, Kolkata & impairment of Belloxy Investment Rs 189.74 million.

35. Earnings per share

The following table reflects profit and shares data used in the computation of basic and diluted earnings per share.

in Rupees million	Fifteen months ended 31 Mar 2023	Year ended 31 Dec 2021
a) Profit after tax	5,380.59	5,072.18
Profit attributable to ordinary shareholders - for basic and diluted EPS	5,380.59	5,072.18
	Nos	Nos
b) Weighted average number of Ordinary Shares for basic and diluted EPS	85,284,223	85,284,223
c) Nominal value of ordinary shares (Rs.)	10.00	10.00
d) Basic and diluted earnings per ordinary share (Rs.)	63.09	59.47

36. Contingent liabilities

Contingencies:

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following are the description of claims and assertions where a potential loss is possible, but not probable.

Litigations :

The Company is involved in legal proceedings, both as plaintiff and as defendant. There are claims which the Company does not believe to be of material nature other than those described below.

a) Excise Duty and Service Tax

As at 31 March 2023, there were pending litigations for various matters relating to excise duty and service tax involving demands of **Rs. 333.59 million** (31 Dec 2021 : Rs. 304.62 million).

b) Sales Tax /VAT

As at 31 March 2023, the sales tax demands that are being contested by the Company amounted to **Rs. 676.65 million** (31 Dec 2021: Rs. 650.82 million). The details of demand for more than Rs. 100 million are as follows:

As on 31st March 2023 Sales tax Authority have raised demand of **Rs. 508.54 million** for the period 2008-09 to 2017-18 (31 Dec 2021: Rs. 508.54 million) on account of non levy of sales tax for facility charges recovered from a customer for providing pipeline infrastructure at their premises. Company has contested the demand and currently the matter is at appellate stage. It is reimbursable by the customer as per agreement.

c) Income Tax

As at 31 March 2023, there were pending matters / cases relating to Income Tax for various assessment years aggregating to **Rs. 150.00 million** (31 Dec 2021: Rs. 150.00 million).

d) Other claims

Other amounts for which the Company may contingently be liable aggregate to **Rs. 6.60 million** (31 Dec 2021: Rs. 6.60 million).

It is not practicable for the company to estimate the closure of the above mentioned issues and the consequential timings of cash flows, if any, in respect of the above.

37. Commitments

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Estimated capital commitments [Net of Advance of Rs. NIL (31 December 2021: Rs. NIL)] remaining to be executed and not provided for	364.45	459.08

38. Employee Benefits

i) Defined Contribution Plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Pension Fund, which is a defined contribution plan. The company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The only amounts included in the balance sheet are those relating to the prior months contribution that are not due to be paid until the end of reporting period. The amount recognised as an expense towards contribution to Provident Fund and Pension Fund for the year aggregated to Rs. 26.89 million (31 Dec 2021: Rs. 22.08 million).

ii) Defined Benefit Plan

Description of Plans

Retirement Benefit Plans of the Company include Gratuity, Pension and Post retirement medical benefits.

Gratuity & Pension

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. Gratuity is funded through direct investment under Indian Oxygen Limited Executive and Graded-Staff Gratuity Funds. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

Investments of Pension for some employees are managed through Company managed trust.

Post retirement medical benefits

Under this unfunded scheme, employees of the Company receive medical benefits subject to certain limits on amounts of benefits, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. The Company accounts for the liability for post-retirement medical scheme based on an actuarial valuation.

Governance

The trustees of the trust fund are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. They are tasked with periodic reviews of the solvency of the fund and play a role in the long-term investment, risk management and funding strategy.

Investment Strategy

The Company's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. The plans expose the Company to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and inflation risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/highquality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Inflation risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The Company has developed policy guidelines for the allocation of assets to different classes with the objective of controlling risk and maintaining the right balance between risk and long term returns in order to limit the cost to the Company of the benefits provided.

38. Employee Benefits (contd...)

Pension and Gratuity

A. Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans (funded) at the Balance Sheet date were:

in Rupees million	Pension		Gratuity	
	As at 31 Mar 2023	As at 31 Dec 2021	As at 31 Mar 2023	As at 31 Dec 2021
Present value of obligation	94.23	131.46	98.21	101.26
Fair value of plan assets	(22.85)	(21.57)	(45.90)	(46.69)
Liability recognised in the Balance Sheet (Refer note 20)	71.38	109.89	52.31	54.57

B. Movements in Present Value of Obligation and Fair Value of Plan Assets

in Rupees million	Pension			Gratuity		
	Plan Assets	Plan Obligation	Total	Plan Assets	Plan Obligation	Total
As at 1 January, 2021	21.24	97.00	75.76	47.15	95.16	48.01
Current service cost	-	3.34	3.34	-	6.38	6.38
Past service cost	-	13.27	13.27	-	-	-
Interest cost	-	5.14	5.14		4.94	4.94
Interest income	1.17	-	(1.17)	2.59	-	(2.59)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(0.18)	(2.51)	(2.33)	(0.02)	(2.93)	(2.91)
Actuarial (gain)/loss arising from experience adjustments	-	15.88	15.88	-	4.56	4.56
Employer contributions	-	-	-	3.82	-	(3.82)
Benefit payments	(0.66)	(0.66)	-	(6.85)	(6.85)	(0.00)
As at 31st December, 2021	21.57	131.46	109.89	46.69	101.26	54.57
As at 1 January, 2022	21.57	131.46	109.89	46.69	101.26	54.57
Current service cost	-	4.24	4.24		7.72	7.72
Past service cost	-	(11.80)	(11.80)	-	-	-
Interest cost	-	7.87	7.87	-	6.95	6.95
Interest income	1.28	-	(1.28)	4.63	-	(4.63)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	(11.69)	(11.69)	-	(5.99)	(5.99)
Actuarial (gain)/loss arising from experience adjustments	-	(25.85)	(25.85)	-	5.51	5.51
Employer contributions	-	-	-	11.82	-	(11.82)
Benefit payments	-	-	-	(17.24)	(17.24)	-
As at 31st March, 2023	22.85	94.23	71.38	45.90	98.21	52.31

C. Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

in Rupees million		Pension		Gratuity
	As at 31 Mar 2023	As at 31 Dec 2021	As at 31 Mar 2023	As at 31 Dec 2021
Employee Benefit Expenses :				
Current service cost	4.24	3.34	7.72	6.38
Past service cost	(11.80)	13.27	-	-
Finance costs :				
Interest cost	7.87	5.14	6.95	4.94
Interest income	(1.28)	(1.17)	(4.63)	(2.59)
Net impact on profit (before tax)	(0.97)	20.58	10.04	8.73
Remeasurement of the net defined benefit plans:				
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(11.69)	(2.33)	(5.99)	(2.91)
Actuarial (gain)/loss arising from experience adjustments	(25.85)	15.88	5.51	4.56
Net impact on other comprehensive income (before tax)	(37.54)	13.56	(0.48)	1.65

The pension expense and gratuity expense have been recognised in Contribution to Provident and Other Funds in Note no 29.

D. Assets

The fair value of plan assets at the Balance Sheet date for the defined benefit plans for each category are as follows:

in Rupees million		Pension		Gratuity
	As at 31 Mar 2023	As at 31 Dec 2021	As at 31 Mar 2023	As at 31 Dec 2021
Quoted				
Government debt instruments	-	-	-	-
Other debt instruments	-	-	-	-
Total (A)	-	-	-	-
Unquoted				
Cash including special deposits	-	-	-	-
Others (Including assets under Scheme of Insurance)	22.85	21.57	45.90	46.69
Total (B)	**22.85**	**21.57**	**45.90**	**46.69**
Total (A+B)	**22.85**	**21.57**	**45.90**	**46.69**

None of the plans invest directly in any property occupied by the Company or any financial securities issued by the Company.

E. Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Financial Assumptions		Pension		Gratuity
	As at 31 Mar 2023	As at 31 Dec 2021	As at 31 Mar 2023	As at 31 Dec 2021
Discount rate (per annum)	7.10%	6.00%	7.10%	6.00%
Salary escalation rate (per annum)	8.00%	8.00%	8.00%	8.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Demographic Assumptions

Mortality in Service: Indian Assured Lives Mortality (2006-08) Ultimate table.

F. Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the key assumptions are:

		Pension		Gratuity	
		Change in assumption (%)	Change in Plan Obligation	Change in assumption (%)	Change in Plan Obligation
Discount rate (per annum)	Increase	0.5	(1.62)	0.5	(2.50)
	Decrease	0.5	1.69	0.5	2.64
Salary escalation rate (per annum)	Increase	0.5	0.43	0.5	1.97
	Decrease	0.5	(0.48)	0.5	(1.97)

The sensitivity analysis above have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

G. Weighted average duration and expected employers contribution for each of the defined benefit plan

Weighted average duration (yrs.)

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021	Expected Employers Contribution for the next year
Gratuity	4-7	4-7	14.03
Pension	4	4	17.33

H. Expected Benefit Payments

	Pension	Gratuity
31 March 2024	17.33	14.03
31 March 2025	14.45	11.04
31 March 2026	19.02	16.53
31 March 2027	12.44	12.38
31 March 2028	8.27	16.47
31 March 2029 to 31 March 2033	45.00	58.56

Post Retirement Medical Benefits

The following table sets out the amounts recognised in the financial statements in respect of post retirement medical benefits and other defined benefit plans.

A. Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans (unfunded) at the Balance Sheet date were:

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Present value of obligation	**139.44**	**167.53**
Liability recognised in the Balance Sheet (Refer note 20)		
Retirement benefits obligations		
Current	13.09	14.09
Non Current	126.35	153.44

B. Movements in Present Value of Obligation and Fair Value of Plan Assets

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Change in defined benefit obligation:		
Obligation at the beginning of the period	**167.53**	**164.84**
Current service cost	-	-
Past Service cost	-	-
Interest cost	12.65	8.67
Remeasurement (gain)/loss	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	-	19.51
Actuarial (gain)/loss arising from changes in financial assumptions	(6.97)	(7.87)
Actuarial (gain)/loss arising from experience adjustments	(23.27)	(7.90)
Benefits paid	(10.50)	(9.72)
Obligation at the end of the period	**139.44**	**167.53**

C. Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:	As at 31 Mar 2023	As at 31 Dec 2021
Employee Benefit Expenses:		
Current service cost	-	-
Past service cost	-	-
Finance costs :		
Interest cost	12.65	8.67
Net impact on profit (before tax)	12.65	8.67
Remeasurement of the net defined benefit plans:		
Actuarial (gain)/loss arising from changes in demographic assumptions	-	19.51
Actuarial (gain)/loss arising from changes in financial assumptions	(6.97)	(7.87)
Actuarial (gain)/loss arising from experience adjustments	(23.27)	(7.90)
Net impact on other comprehensive income (before tax)	**(30.24)**	**3.74**

The post retirement medical benefit expenses have been recognised in Workmen and staff welfare expenses in Note 29.

D. Assumptions

With the objective of presenting the plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Financial Assumptions	As at 31 Mar 2023	As at 31 Dec 2021
Discount rate (per annum)	7.10%	6.00%
Medical Inflation rate (per annum)	8.00%	8.00%

Demographic Assumptions

Mortality in Service: LIC Annuitants (1996-98) Ultimate

E. Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

		Change in assumption (%)	Change in Plan Obligation (%)
Discount rate (per annum)	Increase	0.5%	(5.35)
	Decrease	0.5%	5.76
Medical Inflation rate (per annum)	Increase	0.5%	-
	Decrease	0.5%	-

The sensitivity analysis above have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

F. Weighted average duration and expected employers contribution

	Weighted average duration (yrs.)		Expected Employers Contribution for the next year
	As at 31 Mar 2023	As at 31 Dec 2021	
Post retirement medical benefit	8	9	NA

G. Expected Benefit Payments

31 March 2024	13.54
31 March 2025	13.36
31 March 2026	13.15
31 March 2027	12.91
31 March 2028	12.66
31 March 2029 to 31 March 2033	59.03

39. Information in accordance with the requirements of the Ind AS 115 on Revenue from Contract with Customers

(i) Movement in Contract balances

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Gross amount due from customers for contracts in progress - Contract Assets	2,404.58	3,092.98
Gross amount due to customers for contracts in progress - Contract Liabilities	2,471.51	1,835.44
Net Contract Balance	(66.93)	1,257.54

(ii) Revenue recognised during the period from opening balance of contract liabilities amounts to **Rs 834.03 million** (31 Dec 2021: Rs 386.67 million).

(iii) Revenue recognised during the period from the performance obligation satisfied in previous year (arising out of contract modifications) amounts to **Rs 238.61 million** (31 Dec 2021: Rs 91.32 million).

(iv) Reconciliation of contracted price with revenue during the period for contracts where revenue is recognised over time

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Opening contracted price of orders as at 1 January 2022/1 January 2021	11,191.39	10,547.38
Increase due to additional consideration recognised as per contractual terms	1,285.21	369.45
Fresh orders/change orders received (net)	12,081.11	4,876.08
Total Revenue recognised during the period	9,354.99	4,601.52
Closing contracted price of orders as at 31 March 2023/ 31 December 2021	15,202.72	11,191.39

40. Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and long term and short term bank borrowings on need basis, if any. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents.

The Company does not have any debt as at the reporting date and hence debt to equity ratio is Nil.

41. Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 (u).

a) Category-wise classification of Financial instruments

The carrying value and fair values of financial instruments by class are as follows:

in Rupees million	Year ended 31 Mar 2023	Year ended 31 Dec 2021
FINANCIAL ASSETS		
Financial assets measured at cost		
Investments in equity instruments	178.83	92.53
Cash and bank balances	11,914.93	9,879.73
Trade receivables	5,077.12	4,231.68
Other financial assets	306.91	289.06
Financial assets measured at fair value through profit & loss		
Investments in equity instruments	140.98	-
Financial assets measured at fair value through other comprehensive income		
Investments in equity instruments	0.69	0.66
	17,619.46	14,493.66
FINANCIAL LIABILITIES		
Financial liabilities measured at cost		
Lease liabilities	220.49	242.93
Trade payables	5,451.57	5,877.58
Other financial liabilities	499.33	570.85
	6,171.39	6,691.36

b) Fair value measurements

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

a) Level 1: Quoted prices for identical instruments in an active market -

This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

b) Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs -

This level of hierarchy includes financial assets and liabilities, measured using inputs other than the quoted prices included within level 1 that are observables for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company's derivative contracts.

c) Level 3: Inputs which are not based on observable market data -
This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor they are based on available market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

As at 31st March 2023	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Investment in equity shares	0.69	-	140.98	141.67

As at 31st December 2021	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Investment in equity shares	0.66	-	-	0.66

i) The Company has assessed that cash and bank balances, trade receivables, trade payables, and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

iii) There have been no transfers between Level 1, level 2 and Level 3 for the periods ended 31 March 2023 and 31 December 2021.

42. Financial Risk Management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(i) Market risk:
Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

a) Market risk - Foreign currency exchange rate risk:
The Company enter into sale and purchase transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Management monitors the movement in foreign currency and the Company's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Company takes remidial measures to hedge foreign currency risk through various measures like derivative instruments etc.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period, not hedged by derivative instruments, are as follows:

in Rupees million	Monetary assets		Monetary liabilities	
	As at 31 Mar 2023	As at 31 Dec 2021	As at 31 Mar 2023	As at 31 Dec 2021
US Dollar in India	73.96	56.83	178.18	58.40
Euro in India	62.59	0.92	335.59	244.49
GBP in India	-	-	0.92	18.30
SGD in India	-	0.50	-	137.16
JPY in India	-	-	2.92	2.91
BDT in India	-	-	-	1.32
MYR in India	-	-	0.16	-

A 10% appreciation/depreciation of the foreign currencies with respect to functional currency of the Company would result in an decrease/ increase in the Company's net profit before tax by approximately **Rs.38.12 million** (31 Dec 2021 : Rs.40.43 million).

b) Market risk - Interest rate risk: Interest rate risk is the risk that the fair value or future cashflow of a financial instrument will fluctuate because of change in market interest rate. The company does not have any borrowings, hence there is no exposure to interest rate risk.

ii) Counter-party credit risk:
Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Financial instruments that are subject to concentrations of credit risk, principally consist of Cash & bank balances, trade receivables, finance receivables and loans and advances. Company regularly reviews the credit limits of the customers and takes action to reduce the risk. Further diverse and large customer bases also reduces the risk. All trade receivables are reviewed and assessed for default on quarterly basis.

The credit risk on bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings.

iii) Liquidity risk:
Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks and inter-company borrowing. The Company invests its surplus funds in bank fixed deposits, which carry no or low market risk. The Company's liquidity position remains strong at **Rs. 11,914.93 million as at 31 March 2023** (31 December 2021 : Rs. 9,879.73 million), comprising of cash and cash equivalents and other balances with banks (including earmarked balances).

The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

in Rupees million	Carrying Amount	Undiscounted amount payable			Total
		within 1 year	Between 1 to 5 years	More than 5 years	
As at 31st March 2023					
Non-derivative liabilities					
Lease liabilities	220.49	32.56	114.00	230.42	376.98
Trade payables	5,451.57	5,451.57	-	-	5,451.57
Security deposits	123.83	123.83	-	-	123.83
Unpaid dividend	7.38	7.38	-	-	7.38
Creditors for capital supplies and services	359.40	359.40	-	-	359.40
Other employee liabilities	8.72	8.72	-	-	8.72
As at 31st December 2021					
Non-derivative liabilities					
Lease liabilities	242.93	33.13	130.65	261.39	425.17
Trade payables	5,877.58	5,877.58	-	-	5,877.58
Security deposits	118.83	118.83	-	-	118.83
Unpaid dividend	5.57	5.57	-	-	5.57
Creditors for capital supplies and services	437.69	-	-	-	-
Other employee liabilities	8.76	8.76	-	-	8.76

43. Segment information

a) Gases, related products & services from which reportable segments derive their revenues:

Information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance is based on product and services. Accordingly, management of the company has chosen to organise the segment based on its products and services as follows:

- Gases, Related Products & Services
- Project Engineering

The company's chief operating decision maker is the Managing Director.

Segment revenue, results, assets and liabilities include the respective amounts that are directly attributable to or can be allocated on a reasonable basis to each of the segments. Revenue, expenses, assets and liabilities which relate to the enterprise as a whole and are neither attributable to nor can be allocated on a reasonable basis to each of the segments, have been disclosed as unallocable.

The company's financing and income taxes are managed on a company level and are not allocated to operating segments.

Inter-segment revenue has been recognised at cost.

b) **Information about business segment**

in Rupees million	As at 31 Mar 2023			As at 31 Dec 2021		
	Gases, related products & services	Project Engineering	Total	Gases, related products & services	Project Engineering	Total
1 Segment revenue						
External revenue	22,136.01	9,201.99	31,338.00	16,606.49	4,508.89	21,115.38
- India	21,955.12	8,794.36		16,444.40	4,480.58	
- Outside India	180.89	407.63		162.09	28.31	
Other Operating Income	7.82	9.38	17.20	4.20	-	4.20
Total external revenue (A)	22,143.83	9,211.37	31,355.20	16,610.69	4,508.89	21,119.58
Inter segment revenue (B)	-	1,249.39	1,249.39	-	69.85	69.85
Total segment revenue (A) + (B)	**22,143.83**	**10,460.76**	**32,604.59**	**16,610.69**	**4,578.74**	**21,189.43**
Less: Inter segment elimination			(1,249.39)			(69.85)
Total revenue			**31,355.20**			**21,119.58**
2 Segment results	5,273.05	1,114.38	6,387.43	3,871.15	484.60	4,355.75
Finance cost - unallocable			(56.56)			(30.54)
Other unallocable expenses			(234.31)			(156.91)
Share of profit from Joint venture			86.30			56.18
Profit before tax and exceptional item			**6,182.86**			**4,224.48**
Exceptional item			-			2,754.52
Profit before tax			**6,182.86**			**6,979.00**
Less: Tax expense			802.27			1,906.82
Profit after tax			**5,380.59**			**5,072.18**
3 Segment assets	25,099.00	4,330.89	29,429.89	24,592.61	4,173.25	28,765.86
Unallocated assets			14,567.96			11,400.24
Total assets			**43,997.85**			**40,166.10**
4 Segment liabilities	5,773.95	3,596.19	9,370.14	6,256.94	3,143.55	9,400.49
Unallocable liabilities			3,226.71			3,616.76
Total liabilities			**12,596.85**			**13,017.25**

c) Other segment information

in Rupees million	Year ended 31 Mar 2023			Year ended 31 Dec 2021		
	Gases, related products & services	Project Engineering	Unallocable	Gases, related products & services	Project Engineering	Unallocable
Depreciation and amortisation	2,490.28	7.29	31.08	1,780.62	8.04	25.01
Addition to PPE, ROU and Intangible assets (net of disposal)	1,446.28	(0.02)	21.21	412.73	9.20	1.19

d) Revenue from major products

(i) Gases, related products & services	Year ended 31 Mar 2023	Year ended 31 Dec 2021
Sale of Products	18,937.58	14,076.05
Sale of Services including facility fee, lease rentals, Operation & Maintenance charges	3,045.43	2,437.81
Others	153.00	92.63
(ii) Project Engineering		
Construction contracts	9,201.99	4,508.89
	31,338.00	21,115.38

The Company operates predominantly within the geographical limits of India. In the company's operations within India, there is no significant difference in the economic condition prevailing in the various states of India. Revenue from sales to customers outside India is less than 10% in the current and previous period. Hence, disclosures on geographical information are not applicable.

e) Information about major customers

Included in the revenue arising from direct sales of products and services of **Rs. 31,338.00 million** (31 Dec 2021: Rs. 21,115.38 million) are revenues of approximately **Rs. 8,845.99 million** (31 Dec 2021: Rs. 5,468.21 million) which arose from the sale to company's top two customers. No other single customer contributed 10% or more of the company's revenue for fifteen months period ended 31 Mar 2023 & year ended 31 Dec 2021.

Note: The accounting policies of the reportable segments are same as of the companies accouting policies. Refer Note 2 (y)

44. Information on Related Party Disclosure

A) List of Related Parties

i) Ultimate Holding Company

Linde Public Limited Company, Ireland

ii) Intermediate Holding Company

Linde GmbH (Formerly Linde AG, Germany)

iii) Holding Company

The BOC Group Limited, United Kingdom (Wholly owned Subsidiary of Linde GmbH)

iv) Fellow Subsidiaries and Joint Venture with whom transactions have taken place during the period

(a) Located outside India

Fellow Subsidiaries	Country
Linde Bangladesh Limited	Bangladesh
Linde Engineering (Dalian) Co. Ltd.	China
Linde Kryotechnik AG	Switzerland
Cryostar SAS	France
Linde Indonesia	Indonesia
Linde Korea Company Limited	Korea
Linde Malaysia Sdn. Bhd.	Malaysia
Linde Business Solution Center Philippines INC	Philippines
Linde Philippines Inc	Philippines
Linde Gas Singapore Pte Limited	Singapore
Linde Gas Asia Pte Limited	Singapore
Ceylon Oxygen Limited	Srilanka
BOC Limited - ENG (Gases)	United Kingdom
Linde (Thailand) Public Company Limited	Thailand
Linde Gas Vietnam Limited	Vietnam
Praxair Inc. (formerly Linde Global Helium)	United States of America
Linde Gáz Magyarország Zrt.	Hungary
Linde Electronics & Specialty Gases (Suzhou) Co Ltd.	China
Linde Engineering (Hangzhou) Co. Ltd.	China
AGA AB Corporate Staffs	Sweden
Linde Gas North America LLC E&S Gas	United States of America
Linde Gas & Equipment, Inc. (formerly Praxair Distribution, Inc.)	Bethlehem
LUCK STREAM Co., Ltd.	Taiwan
Linde Inc.	United States of America

(b) Located in India

Fellow Subsidiaries
Linde Global Support Services Private Limited
Linde Engineering India Private Limited
Praxair India Private Limited

Joint Ventures
Bellary Oxygen Company Private Limited
Linde South Asia Services Private Limited (Formerly LSAS Services Private Limited)

Associates
Avaada MHYavat Private Limited w.e.f. 20th April 2022
FPEL Surya Private Limited w.ef. 23rd February 2023
FP Solar Shakti Private Limited w.ef. 14th March 2023

v) Employee Funds

Linde India Limited Executive Staff Pension Fund
Linde India Limited Executive Staff Gratuity Fund
Linde India Limited Graded Staff Pension Fund
Linde India Limited Non Executive Staff Gratuity Fund

vi) Trust Fund

Linde Foundation

vii) Key Management Personnel of the Company

Mr. A Banerjee, Managing Director
Mr. A Saraf, Chief Financial Officer till 31 May 2022
Mr. N K Jumrani, Chief Financial Officer w.e.f. 9th August 2022
Mr. P Marda, Director -Corporate Affairs & Company Secretary till 28 February 2023
Mr. A Dhanuka, Company Secretary w.e.f. 1st March 2023
Mr. A Balakrishnan, Independent Director
Mr. J Mehta, Independent Director
Dr. S Sarin,Independent Director

B) Transactions with Related Parties during the period

Nature of Transaction	Ultimate Holding Company	Intermediate Holding Company	Holding Company	Fellow Subsidiaries	Joint Ventures	Associates	Employee Funds	Key Management Personnel
Purchase of Goods - Gases, Equipment/Spares	-	396.17	-	3,019.95	-	-	-	-
	-	(97.08)	-	(1,902.00)	(81.14)	-	-	-
Purchase of Property Plant and Equipment / Capital Spares	-	246.96		82.24		-	-	-
	-	(13.99)	-	(46.06)	-	-	-	-
Investment in associates	-	-	-	-	-	238.58	-	-
	-	-	-	-	-	-	-	-
Support Services cost-Engineering Assistance, IS Charges, Business Support & Technical Assistance	-	479.63	10.32	325.71	1,403.96	-	-	-
	-	(153.33)	(464.29)	(170.23)	(1,086.78)	-	-	-
Service Charges Received	-	-		12.63		-	-	-
	-	-	-	(9.14)	-	-	-	-
Liabilities no longer required written back	-	119.52	-	62.41		-	-	-
	-	-	-	-	-	-	-	-
Revenue from Operations	-	226.92	-	6,071.32		-	-	-
	-	(159.05)	-	(3,290.92)	(14.18)	-	-	-
Sale of Property, Plant and Equipment	-	-	-	44.05	-	-	-	-
	-	-	-	(50.98)	-	-	-	-
Recovery of Personnel Cost	19.46	-		84.78	-	-	-	-
	-	-	-	(31.16)	(8.82)	-	-	-
Rent Income	-	-		23.70		-	-	-
	-	-	-	(18.96)	-	-	-	-
Managerial Remuneration	-	-	-	-		-	-	59.43
	-	-	-	-	-	-	-	(38.49)

Nature of Transaction	Ultimate Holding Company	Intermediate Holding Company	Holding Company	Fellow Subsidiaries	Joint Ventures	Associates	Employee Funds	Key Management Personnel
Dividend Paid			863.50			-	-	-
	-	-	(191.89)	-	-	-	-	-
Dividend Income	-	-	-	-	42.36	-	-	-
	-	-	-	-	(216.75)	-	-	-
Contribution to Funds						-	22.34	-
	-	-	-	-	-	-	(3.82)	-
Outstanding balances:								
- Receivables								
- Trade Receivables	-	62.21	-	482.47	-	-	-	-
	-	(0.56)	-	(799.67)	-	-	-	-
-Receivable for recovery of expenses	-	-	-	5.73	0.03	-	-	-
	-	-	(3.95)	(80.18)	-	-	-	-
- Trade Payables	9.08	801.13	-	443.07	107.89	-	-	-
	-	(206.11)	(370.45)	(910.70)	(208.86)	-	-	-
- Advances for Supplies/ Services	-	295.95	-	110.68	-	-	-	-
	-	(61.55)	-	(140.18)	(20.00)	-	-	-
- Advance received from Customer	-	23.35	-	129.63	-	-	-	-
	-	(106.72)	-	(14.64)	-	-	-	-
- Unbilled Revenue	-	6.87	-	334.83	-	-	-	-
	-	(151.93)	-	(36.31)	-	-	-	-

Note: (i) The figures in brackets pertains to previous year.

(ii) The company's related party transactions during the period ended 31 March 2023 and 31 December 2021 are at arms length and in the ordinary couse of business. Outstanding balances at the year-end are unsecured and interest-free and settlement occurs in cash. All related party balances at year end are considered good and no provision for bad or doubtful debts due from related parties was made during the current period / prior year.

(iii) The details of the remuneration to independent directors has been specified in Note 32.

C) Disclosure of material transactions between Company and Related Parties during the year included in Fellow Subsidiary:

Nature of Transaction	Year ended 31 Mar 2023	Year ended 31 Dec 2021
Purchase of Goods - Gases, Equipment/Spares		
Praxair India Private Limited	1,518.68	939.02
Praxair, Inc (formerly Linde Global Helium)	1,043.43	723.72
Purchase of Property, Plant and Equipment / Capital Spares		
Praxair India Private Limited	19.08	29.23
Praxair, Inc (formerly Linde Global Helium)	-	4.89
Linde Engineering India Private Limited	16.67	8.29
Support Services cost- Engineering Assistance, IS Charges, Business Support & Technical Assistance		
Linde Gas Asia Pte Limited	56.93	139.58
Linde Business Solution Center Philippines INC	17.52	17.75
Service Charges Received		
Linde Global Support Services Pvt. Ltd.	12.63	9.14
Revenue from Operations/ Recharges		
Praxair India Private Limited	5,734.12	3,083.65
Sale of Property, Plant and Equipment		
Praxair India Private Limited	29.86	50.98
Recovery of Personnel Cost		
Linde Global Support Services Pvt. Ltd.	4.12	3.18
Linde Gas Asia Pte Limited	2.27	7.60
Linde Indonesia	12.71	3.62
Linde Philippines, INC.	2.80	4.80
Linde Malaysia Sdn. Bhd.	1.21	3.27
Linde (Thailand) Public Company Limited	1.51	3.97
Praxair India Private Limited	2.62	3.41
Rent Income		
Linde Global Support Services Pvt. Ltd.	23.70	18.96

45. Leases

I. As a Lessor (IND AS 116)

The following is the summary of future minimum lease rental payments under non-cancellable operating leases and finance leases entered into by the Company.

A. Operating leases as a lessor:

Significant leasing arrangements include lease of plant and machinery for use under long term arrangements for periods ranging between 10 to 20 years with renewal option.

Future minimum lease payments under non-cancellable operating leases are as below:

in Rupees million	As at 31 Mar 2023	As at 31 Dec 2021
Future minimum lease payments		
not later than one year	958.54	876.87
later than one year and not later than five years	3,563.01	3,454.98
later than five years	4,930.87	6,086.76
	9,452.42	10,418.61

Lease income recognised during period is Rs 844.35 million (31 Dec 2021: Rs 662.85 million)

B. Finance leases as a lessor:

Certain plant and machinery has been made available by the Company to the customers under a finance lease arrangement. The arrangements covers a substantial part of the economic life of the underlying asset and contain a renewal option on expiry. Receivables under long term arrangements involving use of dedicated assets are based on the underlying contractual terms and conditions. Any change in the assumptions may have an impact on lease assessment and/or lease classification.

Such assets given under the lease arrangement have been recognised, at the inception of the lease as a receivable at an amount equal to the net investment in the lease. The finance income arising from the lease is being allocated based on a pattern reflecting constant periodic return on the net investment in the lease. The income arising on account of finance lease arrangement is Rs 3.88 million (31 Dec 2021: Rs. 4.20 million).

The minimum lease receivable and the present value of minimum lease receivables in respect of arrangements classified as finance leases are as below:

in Rupees million	As at 31st Mar 2023		As at 31st Dec 2021	
	Minimum Lease payments	Present value of minimum lease payments	Minimum Lease payments	Present value of minimum lease payments
Not later than one year	7.68	1.43	7.68	1.50
Later than one year and not later than five years	3.84	1.24	13.44	2.67
Later than five years	-	-	-	-
Total future minimum lease committments	11.52	2.67	21.12	4.17
Less: Unearned finance income	1.95	-	5.82	-
Present value of minimum lease payments receivable	9.57	-	15.30	-
Disclosed as:				
Other financial asset - finance lease receivable (refer note 9)				
Non-Current	3.58	-	10.86	-
Current	5.99	-	4.44	-
	9.57	-	15.30	-

45. Leases (continued...)

II. As a Lessee (IND AS 116)

1 Changes in the carrying value of right of use assets for the fifteen months period ended 31 March 2023

in Rupees million	Land	Buildings	Plant and Equipment	Total
Balance as at 1 January 2022	161.64	25.16	186.40	373.20
Additions during the period	-	-	-	-
Deletion during the period	-	3.51	-	3.51
Depreciation	5.91	7.09	16.67	29.67
Balance as at 31 March 2023	**155.73**	**14.56**	**169.73**	**340.02**

2 The following is the break-up of current and non-current lease liabilities

Particulars	As at 31 Mar 2023	As at 31 Dec 2021
Current Lease Liability	13.58	12.56
Non Current Lease Liability	206.91	230.37
Total Lease Liability	**220.49**	**242.93**

3 The following is the movement in lease liabilities

Particulars	As at 31 Mar 2023	As at 31 Dec 2021
Opening Balance	242.93	69.03
Additions during the period	-	184.22
Finance cost during the period	25.31	7.69
Deletions	4.63	-
Payment of lease liabilities	43.12	18.01
Closing Balance	**220.49**	**242.93**

4 Contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 Mar 2023	As at 31 Dec 2021
Less than one year	32.56	33.13
One to five years	114.00	130.65
More than five years	230.42	261.39

5 Nature of lessee's leasing activities

Right-of-Use assets majorly comprises Land, Buildings and Plant and Equipment.

6 There are no such identified probable future cash outflows to which the entity is exposed that are not reflected in the measurement of lease liabilities.

46. Interest in Joint Ventures & Associates

a) Summary of financial information

in Rupees million	Joint Ventures		Associates	
	As at 31 Mar 2023	As at 31 Dec 2021	As at 31 Mar 2023	As at 31 Dec 2021
Current Assets	816.42	1,003.13	268.02	-
Non Current Assets	555.03	218.50	3,034.27	-
Current Liabilities	506.18	466.40	1,001.98	-
Non Current Liabilities	178.34	136.53	1,511.56	-
Equity	686.93	618.70	788.75	-
Total Income	2,791.26	2,482.59	42.89	-
Expenses	2,473.60	2,283.17	51.11	-
Profit before tax for the year	**317.66**	**199.42**	**(8.22)**	**-**
Tax Expense	62.27	46.53	(0.55)	-
Profit after tax for the year	**255.39**	**152.89**	**(7.67)**	**-**
Profit attributable to the owners of the Company	127.69	76.45	(1.79)	-
Profit attributable to the non controlling interest	127.70	76.44	(5.88)	-
Profit for the year	**255.39**	**152.89**	**(7.67)**	**-**
Other Comprehensive Income attributable to the owners of the Company	-	-	-	-
Other Comprehensive Income Profit / (Loss) attributable to the non controlling interest	-	-	-	-
Other Comprehensive Income	**-**	**-**	**-**	**-**
Total Other Comprehensive Income attributable to the owners of the Company	-	-	-	-
Total Other Comprehensive Income Profit / (Loss) attributable to the non controlling interest	-	-	-	-
Total Other Comprehensive Income	**255.39**	**152.89**	**(7.67)**	**-**
Dividends paid to non controlling interest	**90.00**	**210.00**	**-**	**-**
Net Cash Flow from operating activities	12.91	404.86	661.27	-
Net Cash Flow from investing activities	(126.25)	447.25	(1,657.18)	-
Net Cash Flow from financing activities	(183.84)	(420.00)	1,013.47	-
Net Cash inflow/(outflow)	**(297.18)**	**432.11**	**17.56**	**-**

b) Share of profits from Joint Ventures & associates

in Rupees million	Joint Ventures		Associates	
	As at 31 Mar 2023	As at 31 Dec 2021	As at 31 Mar 2023	As at 31 Dec 2021
Share of profits from Joint Ventures	86.30	56.18	-	-
Share of profits from associates	-	-	-	-
Total share of profits from Joint Ventures & associates	**86.30**	**56.18**	**-**	**-**

c) The above investment in Bellary Oxygen Company Private Limited is part of assets classified as held for sale. Refer Note 16

47. Details of net assets & share of profit of individual entity in the consolidated net assets and consolidated share of profit

As at 31 Mar 2023

Name of the entity	Net assets		Share of profit	
	As % of consolidated net assets	Amount	As % of consolidated net profit	Amount
A. Parent				
Linde India Limited	99%	31,139.48	100%	5,357.71
B. Jointly controlled entity				
Bellary Oxygen Company Private Limited	1%	166.82	-1%	(63.42)
Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Private Limited)	1%	176.65	2%	86.30
Adjustment due to consolidation	0%	(81.95)	0%	-
Consolidated Net Assets/ Profit after tax	100%	31,401.00	100%	5,380.59

As at 31 Dec 2021

Name of the entity	Net assets		Share of profit	
	As % of consolidated net assets	Amount	As % of consolidated net profit	Amount
A. Parent				
Linde India Limited	99%	26,910.22	101%	5,139.44
B. Jointly controlled entity				
Bellary Oxygen Company Private Limited	1%	216.59	-2%	(123.44)
Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Private Limited)	0%	92.77	1%	56.18
Adjustment due to consolidation*	0%	(70.73)	0%	(0.01)
Consolidated Net Assets/ Profit after tax	100%	27,148.85	100%	5,072.18

*Refers to share of profit after the date, Investment in Bellary Oxygen Company Private Limited has been classified as assets held for sale. (Refer Note 16)

48 Analytical ratios

	Numerator	Denominator	As at 31 March 2023	As at 31 December 2021	% Variance	Reason for variance greater than 25%
a) Current ratio (times)	Current Assets	Current Liabilities	2.19	2.11	4.06%	
b) Return on equity (%)	Profit after tax	Shareholders equity	18.38%	20.62%	-10.88%	
c) Inventory turnover ratio (times)	Cost of Goods Sold (Cost of material consumed+ Purchase of Stock in Trade + Changes in Inventories of Finished Goods & Work in Progress)	Inventory	17.18	9.98	72.18%	refer note- a
d) Trade receivables turnover ratio (times)	Revenue from Operations	Average Trade Receivables	6.74	5.09	32.44%	refer note- a
e) Trade payables turnover ratio (times)	Total Purchases (Purchase of materials + Purchase of Stock in Trade)	Average Trade Payables	2.23	1.32	69.66%	refer note- a
f) Net capital turnover ratio (times)	Revenue from Operations	Working Capital (Current assets - Current liabilities)	2.81	2.18	-29.13%	refer note- a
g) Net profit ratio (%)	Profit After Tax	Revenue from Operation	17.16%	24.02%	-28.55%	refer note- b
h) Return on capital employed (%)	Earnings before interest and tax (Profit before tax + Finance Cost)	Capital Employed (Tangible Equity + Lease liabilities + deferred tax liability)	18.72%	23.31%	-19.70%	
i) Return on investment (%)	Earnings before interest and tax (Profit before tax + Finance Cost)	Total Assets	14.18%	17.45%	-18.74%	

Note :
a) Ratios involving Profit & Loss Number in calculation either in numerator or denominator are non comparable due to difference in period involved being 15 months for the current period & 12 months for the comparitive period. Hence no further reasons given.
b) The net profit ratio is higher in 2021 primarily because profit in that year includes exceptional items of Rs 2,754.52 million (Refer Note 34).
c) There is no oustanding debt in the company for current year and previous year, hence Debt service ratio and Debt- Equity ratio is not applicable.

49 Share-based payments

A. Description of share-based payment arrangements

Linde PLC, under Long Term Incentive Plan, permits the grant of Non-qualified Stock Options, Restricted Stock Units and Performance stock Units.

(i) Stock Options

Stock options which are equity settled options, is granted, subject to the terms and provisions of the Plan, to participants as determined by the Committee, in its sole discretion. Each option granted shall be evidenced by an award agreement that shall specify the option price, the term of the option, the number of shares to which the option pertains, the conditions, including any performance goals, upon which an option shall become vested and exercisable, and such other terms and conditions as the committee shall determine which are not inconsistent with the terms of the Plan.

Awards of options shall be solely subject to the continued service of the Participant and shall become exercisable no earlier than three years after the grant date, provided that such option may partially vest after no less than one year following such grant date; and any other award of options shall become exercisable no earlier than one year after the grant date.

The exercise price is the fair value of shares on the date of the grant. The Options vests in a graded manner over a period of three years. Under the Plan, employees have the following options:

a) Exercise and Hold - The employees need to pay the exercise cost.
b) Exercise and Sell - The net proceeds (proceeds from sale of shares at fair maket value minus the exercise price) is paid to the employee.
c) Exercise and Sell to cover - The employees sells shares to the extent of exercise cost.
d) Exercise and Net Shares - The Group witholds the shares to cover the exercise cost and remaining shares are credited to the employees account.

Typically employees avail option (b) above and consequently the net proceeds is directly paid by the Company to the employees based on communication from Group's stock option plan service provider.

(ii) Performance and Restricted Stock awards (PSU and RSU)

PSU and RSU which are equity settled options are granted under the 2009 Plan to senior level executives that vest over a period of three years. The exercise price is Nil. Linde Plc cross charges the amount to the Company, determined based on the fair value of the shares on exercise of PSU and RSU at the end of three years.

B. Measurement of fair values

The Company measures compensation expense for stock options at their fair value determined using Black - Scholes Model on the date of the grant. The Company has used the assumptions adopted by the Ultimate Holding Company. The fair value of the equity settled stock options and the assumptions used by the Ultimate Holding Company in the measurement of fair value at grant date and measurement date are as follows:

Particulars	31 March 2023	31 December 2021
Fair value (in $)	94.02	37.80
Share price (in $)	354.14	253.68
Expected volatility (%)	26.06%	18.42%
Expected life (years)	5 years	6 years
Expected dividends (%)	1.44%	1.67%
Risk free interest rate (%)	4.23%	1.10%

C. Reconciliation of employee stock options and PSU and RSU stock awards

The activity in the equity settled share based payment transactions during the period ended 31 March 2023 is set out below:

Particulars	Stock options		PSU and RSU stock awards
	Number of options	Weighted average exercise price (in USD)	Number of units
Outstanding at the beginning of the period	2,721	151.96	998
Granted during the period	495	345.14	960
Exercised/ vested during the period	(568)	305.48	(558)
Cancelled/ trueup/forfeited during the period (net)	-	-	122
Outstanding at the end of the period	2,648	351.54	1,522
Exercisable at the end of the period	1,798	-	-

The activity in the equity settled share based payment transactions during the year ended 31 December 2021is set out below:

Particulars	Stock options		PSU and RSU stock awards
	Number of options	Weighted average exercise price (in USD)	Number of units
Outstanding at the beginning of the period	2,366	162.83	788
Granted during the period	355	253.68	641
Exercised/ vested during the period	-	-	(431)
Cancelled/ forfeited during the period (net)	-	-	-
Outstanding at the end of the period	2,721	-	998
Exercisable at the end of the period	887	-	-

D. Details of employee stock compensation liability arising on account of settlement obligation

Employee stock compensation liability	31 March 2023
Opening balance	-
Add: Expense booked during the period	31.09
Less: Payments/ adjustments	-
Closing balance	**31.09**

50. Disclosure for struck off companies The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under section 248 of the Companies Act, 2013:

Name of struck off Company	Nature of transactions with struck-off Company	As at 31 Mar 2023	As at 31 Dec 2021	Relationship with the struck-off Company
Paramount Speciality Forg	Purchase of goods and receiving of services	0.16	-	Trade Payable
S K B Builders India Limited	Purchase of goods and receiving of services	21.14	19.83	Trade Payable
Advance Valves Pvt Limited	Purchase of goods and receiving of services	0.06	0.10	Trade Payable
Others entities*	Purchase of goods and receiving of services	0.02	0.01	Trade Payable
Total		21.38	19.94	

*Represents parties whose outstanding balances are less than Rs 0.01 Million

51. Certain Shareholders have raised objections on the related party transactions entered into by Linde India Limited ("Company") with Praxair India Private Limited and Linde South Asia Services Private Limited since the resolution on material related party transactions in the 85th AGM held on 24 June 2021 had been rejected by the shareholders. The Company has also received inquiries and information requests from the Securities and Exchange Board of India in connection with certain related party transactions and arrangements to which the Company has been responding. Based on the legal opinion obtained by the Company, the Company is in compliance with all requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 in respect of all related party transactions entered into by it. No related party transaction entered into by the Company has a value in excess of the materiality threshold of 10% or more of the annual consolidated turnover of the Company. Therefore, there are no material related party transactions entered into by the Company. In terms of the legal opinion obtained by the Company, it has applied the materiality threshold of 10% or more of the annual consolidated turnover of the Company to the value of each of the related party transactions and not by aggregating the value of all related party transactions it has entered into and ascertained that no shareholder approval is required for any related party transaction in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, which is not "material" in nature.

Management regularly evaluates the business and regulatory risks, including the above matters and it recognises the related uncertainties around their ultimate outcomes, the impact of which, if any, is not presently ascertainable.

52. Dividends

The dividends declared by the Company are based on the profits available for distribution as reported in the financial statements of the Company. On 23 May 2023, the Board of Directors of the Company have proposed a dividend of Rs. 12 per share including a special dividend of Rs. 7.50 per share in respect of fifteen months period ended 31 March 2023, subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of **Rs. 1023.41 million.**

53. The Board of Directors at its meeting held on 14 November 2022 approved the change of financial year of the Company from calendar year (January – December) to uniform financial year (April – March). The company has also obtained necessary approval from the Regional Director, Eastern Region, Ministry of Corporate Affairs on 29 March 2023. Accordingly the current financial year comprises 15 months period from 1 January 2022 to 31 March 2023 and hence the figures are not comparable with the previous financial year which is for 12 months.

54. Previous year figures have been regrouped wherever necessary as required as per revised schedule III amendments which are applicable to the company for the period commencing from 1 January 2022.

For Price Waterhouse & Co Chartered Accountants LLP
(Firm Registration Number: 304026E/E300009)

PRAMIT AGRAWAL, Partner Membership Number: 099903
Place: Kolkata
Date: 23 May, 2023

For and on behalf of Board of Directors of
Linde India Limited
CIN: L40200WB1935PLC008184

M DEVINE, Chairman DIN : 10042702
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

N K JUMRANI, Chief Financial Officer ACA: 065258
A DHANUKA, Company Secretary ACS: 23872

Independent Auditor's Report.

To the Members of Linde India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Linde India Limited (hereinafter referred to as the "Holding Company"), its associate companies and joint ventures (refer Note 1(a) and 1(b) to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2023, and the Statement of Consolidated Profit and Loss (including Other Comprehensive Income), the Statement of Consolidated Changes in Equity and the Statement of Consolidated Cash Flows for 15 months period ended March 31, 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Holding Company, its associate companies and joint ventures as at March 31, 2023, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the 15 months period ended March 31, 2023.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Holding Company, its associate companies and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, other than the unaudited financial information as certified by the management and referred to in paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 51 of the consolidated financial statements which explains the management assessment of related party transactions in terms of Listing Regulations, 2015. The Holding Company has received inquiries and information requests from Securities and Exchange Board of India in connection with certain related party transactions and arrangements to which the Holding Company has been responding from time to time. There are significant uncertainties associated with the outcome of the above, being matters of legal and regulatory interpretation, the impact of which, if any, is presently not ascertainable.

   Our opinion is not modified in respect of this matter.

Key Audit Matters

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

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>Revenue Recognition for Project Engineering Division (PED) business - Appropriateness of estimation of contract cost and revenue recognition

Refer Note 2(e)(c) - "Revenue Recognition - Revenue from Construction" and 4(ii)- "Critical accounting judgements and key sources of estimation uncertainty- Accounting for revenue from contracts wherein company satisfies performance obligation and recognises revenue over time" and Note 24 – "Revenue from operations"
Revenue from contracts entered into by the Holding Company's PED is recognized over a period of time in accordance with the requirements of Ind AS 115 'Revenue from Contracts with Customers'.

Revenue recognition involves determination of percentage completion of the project and contract margin to be recognised on the project, which are dependent on the actual cost incurred and total budgeted cost, which is cost incurred to date and estimation of future cost to complete the contract.</td><td>Our audit procedures included the following in respect of the Holding Company:
• Assessed and tested the design and operating effectiveness of key controls around estimation of contract costs and revenue recognition.
• Tested on a sample basis the actual costs incurred during the 15 months period ended March 31, 2023 with supporting documents.
• Verified on a sample basis the revenue with the underlying contracts and other relevant terms and conditions as considered appropriate.
• Tested on a sample basis the future cost to complete with order placed with vendors, management's technical estimates, and other relevant supporting documents, as appropriate.
• We also evaluated reasonableness of management's judgements and assumptions using past trends and comparing the estimated costs to the actual costs incurred for the similar projects.</td></tr>
</table>

This estimation involves exercise of significant judgement by the Holding Company's management in making cost forecasts considering future activities to be carried out in the project, and the related assumptions. This has been considered as a key audit matter given the significant management judgements involved and complexities in determining future costs to complete and the resulting contract margin.	• Recomputed the percentage of completion based on the budgeted cost and the total actual cost incurred and the revenue recognized. • Evaluated the adequacy of the related disclosures in the consolidated financial statements Based on the above procedures, we did not note any significant exceptions in the estimates and judgements applied by the Management in revenue recognition including those relating to presentation and disclosures as required by Ind AS 115.

Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report and Management Discussion and Analysis, Report on Corporate Governance and Business Responsibility and Sustainability Report but does not include the consolidated financial statements and our auditor's report thereon.

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

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Holding Company including its associate companies and joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective board of directors of the Holding Company and of its associate companies and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding Company and its associate companies and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective board of directors of the Holding Company and of its associate companies and joint ventures are responsible for assessing the ability of the Holding Company and of its associate companies and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Holding Company and its associate companies and joint ventures or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors of the Holding Company and of its associate companies and joint ventures are responsible for overseeing the financial reporting process of the Holding Company and of its associate companies and joint ventures respectively.

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

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

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

    - Identify and assess the risks of material misstatement of the consolidated financial 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 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 Holding Company and its associate companies and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its associate companies and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information or business activities of the Holding Company and its associate companies and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Holding Company 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.

13. 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.

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

Other Matters

15. The consolidated financial statements of the Company for the year ended December 31, 2021, were audited by another firm of chartered accountants under the Act who, vide their report dated February 24, 2022, expressed an unmodified opinion on those consolidated financial statements.

16. The consolidated financial statements also include the Holding Company's share of total comprehensive income (comprising of profit and other comprehensive income) of Rs. 86.30 million for the 15 months period ended March 31, 2023, as considered in the consolidated financial statements, in respect of one joint venture, whose financial information has not been audited by us (also refer Note 1(b) to the Consolidated Financial Statements in respect of three associates and one joint venture). These financial information of the above three associates and two joint ventures are unaudited and has been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these associates and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information in so far as it relates to the aforesaid associates and joint ventures, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Holding Company.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

17. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.

18. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except for the backup of the books of accounts and other books and papers maintained in electronic mode, which has not been maintained on a daily basis on servers physically located in India in respect of the Holding Company during the period January 1, 2022 to March 31, 2023.

(c) The Consolidated Balance Sheet, the Statement of Consolidated Profit and Loss (including other comprehensive income), the Statement of Consolidated Changes in Equity and the Statement of Consolidated Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained by the Holding Company for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

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

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our comment in paragraph 18(b) above.

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.

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

(i) The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Holding Company– Refer Note 36 and Note 20 to the consolidated financial statements.

(ii) The Holding Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Holding Company did not have any derivative contracts as at March 31, 2023.

(iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company during the 15 months period ended March 31, 2023.

(iv) (a) The Management of the Holding Company has represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 by its associates or joint ventures to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its associates or joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management of the Holding Company has represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or by its associates or joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its associates or joint ventures shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has 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 (i) and (ii) of Rule 11(e) contain any material misstatement.

(v) The dividend declared and paid during the 15 months period ended March 31, 2023 by the Holding Company is in compliance with Section 123 of the Act.

(vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Holding Company, associate companies and joint ventures, is applicable to the Holding Company, associate companies and joint ventures only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

19. The Holding Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Place: Kolkata
Date: May 23, 2023

Pramit Agrawal, *Partner*
Membership Number 099903
UDIN: 23099903BGWLOE4087

Annexure "A" to the Independent Auditor's Report.

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

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the 15 months period ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of Linde India Limited (hereinafter referred to as "the Holding Company") (Also refer para 16 of the Main Audit Report on the Consolidated Financial Statements).

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Holding Company, is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company has in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Place: Kolkata
Date: May 23, 2023

Pramit Agrawal, *Partner*
Membership Number 099903
UDIN: 23099903BGWLOE4087

Annexure "B" to the Independent Auditor's Report.

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

As required by paragraph 3(xxi) of the CARO 2020, we report that we have given below qualification or adverse remarks in our CARO report on the standalone financial statements of the Holding Company:

S. No.	Name of the Company	CIN	Relationship with the Holding Company	Date of the respective auditors' report	Paragraph number and comment in the respective CARO report reproduced below
1.	Linde India Limited	L40200WB1935PLC008184	Holding Company	May 23, 20203	(vii)(a)

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Pramit Agrawal, *Partner*
Membership Number 099903
UDIN: 23099903BGWLOE4087

Place: Kolkata
Date: May 23, 2023

Ten-year Financial Data.

in Rupees million	2013	2014	2015	2016	2017	2018	2019	2020	2021	Mar'23
Sales : Home	14,260.9	15,700.5	16,747.4	19,285.6	20,336.2	21,375.9	17,147.1	14,208.0	20,925.0	30,749.5
Export	771.1	242.1	150.7	490.4	802.5	533.3	465.9	498.0	190.4	588.5
Profit before Tax and Exceptional Item	663.4	35.8	100.6	102.1	216.6	471.7	1,721.5	2,252.4	4,168.3	6,144.2
Tax	317.3	-18.2	-196.1	-32.0	-8.8	136.8	559.2	782.6	1,287.2	786.5
Profit after Tax, before Exceptional Item	346.1	54.0	296.7	134.1	225.3	334.9	1,162.3	1,469.9	2,881.1	5,357.7
Exceptional Item, (net of Tax)	427.2	-	-62.1	-	-36.0	-	6,109.5	85.5	2,258.4	-
Profit after Tax	773.3	54.0	234.6	134.1	189.4	334.9	7,271.8	1,555.3	5,139.4	5,357.7
Share Capital	852.8	852.8	852.8	852.8	852.8	852.8	852.8	852.8	852.8	852.8
Reserves and Surplus	13,420.4	13,039.4	13,073.0	13,100.6	13,224.3	13,415.2	20,515.5	21,184.4	26,057.4	30,286.6
Shareholders' Funds	14,273.3	13,892.2	13,925.8	13,953.4	14,077.2	14,268.1	21,368.4	22,037.2	26,910.2	31,139.5
Loan Funds	15,278.1	15,644.3	13,882.6	14,453.5	12,818.6	11,896.9	1,084.7	-	-	-
Total Capital Employed	29,551.4	29,536.5	27,808.4	28,407.0	26,895.8	26,165.0	22,453.1	22,037.2	26,910.2	31,139.5
Debt - Equity (%)	107.0	112.6	99.9	103.5	91.1	83.4	5.1	-	-	-
Gross Block (includes capital Work-in-progress)	31,013.8	34,254.9	37,428.4	28,421.5	29,270.5	27,393.5	27,816.3	28,634.5	29,704.2	32,457.0
Depreciation (includes Impairment)	6,927.8	8,686.2	10,087.0	1,891.2	3,935.8	5,333.4	6,935.5	8,572.0	10,338.3	12,580.3
Net Block (includes Capital Work in Progress)	24,086.0	25,568.7	27,341.5	26,530.3	25,334.7	22,060.1	20,880.8	20,062.5	19,365.9	19,876.6
Investments	150.1	150.1	150.1	150.2	150.3	0.3	0.3	20.4	20.7	161.7
Net Current Assets1	2,129.0	1,869.1	1,478.8	2,116.6	1,607.8	1,743.0	2,263.1	3,306.6	9,695.0	11,146.7
Operating Margin	9.4%	6.7%	5.9%	6.4%	6.5%	6.8%	14.7%	15.7%	19.9%	19.8%
Return on Capital Employed	4.8%	3.6%	3.6%	4.4%	5.1%	5.7%	11.5%	10.5%	15.6%	19.9%
Asset Turnover Ratio	0.64	0.64	0.64	0.73	0.82	0.92	0.82	0.72	1.07	1.60
Dividend 2 (Incl. Tax thereon)	149.7	153.5	77.0	77.0	102.8	154.2	852.9	255.9	1,151.3	1,023.4
Rate of Dividend 2	15%	15%	7.5%	7.5%	10.0%	15.0%	100.0%	30.0%	135.0%	120%
No. of Issued Shares	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223
Book value per Share (Rs.)	167	163	163	164	165	167	251	258	316	365
Earnings per Share (Rs.)	9.07	0.63	3.48	1.57	2.22	3.93	85.27	18.24	60.26	62.82
Return on Net Worth	2.6%	0.2%	0.8%	0.5%	0.7%	1.3%	32.4%	7.1%	19.1%	17.2%
Return on Equity	90.7%	6.3%	27.5%	15.7%	22.2%	39.3%	852.7%	182.4%	602.6%	628.2%
No of Shareholders	20,590	19,183	19,132	19,537	21,586	18,323	18,469	22,673	46,253	44,457
No of Employees	839	832	737	754	726	740	654	263	242	207

Note :

1. Net Current assets excludes short term borrowings and current maturities of long term borrowings.
2. Dividend for the fifteen months period ended 31 March 2023 is proposed and not provided in accounts for the fifteen months period ended 31 March 2023.
3. The figures till year 2015 is based on iGAAP and from 2016 onwards figures are based on IndAS.

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Advisory and Design: www.corpcommstudio.in

Linde India Limited
CIN: L40200WB1935PLC008184
Oxygen House, P43 Taratala Road, Kolkata 700 088, India
Phone: +91 33 6602 1600, Fax: +91 33 2401 4206
Email: contact.lg.in@linde.com
Customer Service Centre: 1800 3456789 (toll free)
www.linde.in