

ANNUAL REPORT 2025



GMPL

GAIL MANGALORE PETROCHEMICALS LIMITED

BOARD MEMBERS



Shri Ayush Gupta
(Chairman)
(DIN - 09681775)
(w.e.f. 01.11.2023)



Shri Ajay Tripathi
(Director)
(DIN – 10175571)
(w.e.f. 01.06.2023)



Dr. Rama Srinivasan Velmurugan
(Director)
(DIN – 10175586)
(w.e.f. 01.06.2023)



Smt. Archana Chaturvedi
(Director)
(DIN - 10175522)
(w.e.f. 01.06.2023)



Shri Manab Kumar Biswas
(Director)
(DIN – 10394523)
(w.e.f. 17.11.2023)



Shri Satish Kumar Sinha
(Director)
(DIN – 10528036)
(w.e.f. 28.02.2024)

KEY MANAGERIAL PERSONNEL

CHIEF EXECUTIVE OFFICER

- Shri Sudhir Kumar Dixit (upto 31.03.2025)
- Shri Aloke Kumar Naskar (w.e.f. 01.04.2025)

CHIEF FINANCIAL OFFICER

- Shri Amiya Kumar Dhal (w.e.f. 11.09.2023)

COMPANY SECRETARY

- Ms. Devika Srivastava (w.e.f. 01.06.2023)

STATUTORY COMMITTEE(S)

AUDIT COMMITTEE

1. Shri Ajay Tripathi, Chairperson
2. Dr. Rama Srinivasan Velmurugan, Member
3. Shri S K Sinha, Member
4. Shri M K Biswas, Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

1. Shri Ajay Tripathi, Chairperson
2. Dr. Rama Srinivasan Velmurugan, Member
3. Smt. Archana Chaturvedi

REMUNERATION COMMITTEE

1. Shri S K Sinha, Chairperson
2. Dr. Rama Srinivasan Velmurugan, Member
3. Smt. Archana Chaturvedi

OTHER INFORMATION

STATUTORY AUDITOR

Shabbir And Ganesh

Balakrishna Towers, 1st Floor, Kunjibettu 2nd Cross,
Udupi-Manipal Road, Bailakere, Near Mandavi Gokul,
Udupi-576101, Karnataka

Mob: 9845249044

Email -ID: shabbirandganesh@gmail.com

SECRETARIAL AUDITOR

Tarun Saini & Associates, Company Secretaries

10/58, LGF, Vikram Vihar, Lajpat Nagar-IV,
New Delhi-110024

Mobile: 9899977756

Email -ID: cs.saini2010@gmail.com

INTERNAL AUDITOR

NBS & CO, Chartered Accountants

2nd Floor, Opal Complex, Opp. Bejai Church Hall,
Mangalore-575004

Mobile: 9844773582

Email -ID: nbsandco123@gmail.com

REGISTRAR & SHARE TRANSFER AGENT (R&TA)

MCS SHARE TRANSFER AGENT LIMITED

179-180, DSIDC Shed, 3rd Floor
Okhla Industrial Area,
Phase – I

New Delhi – 110 020

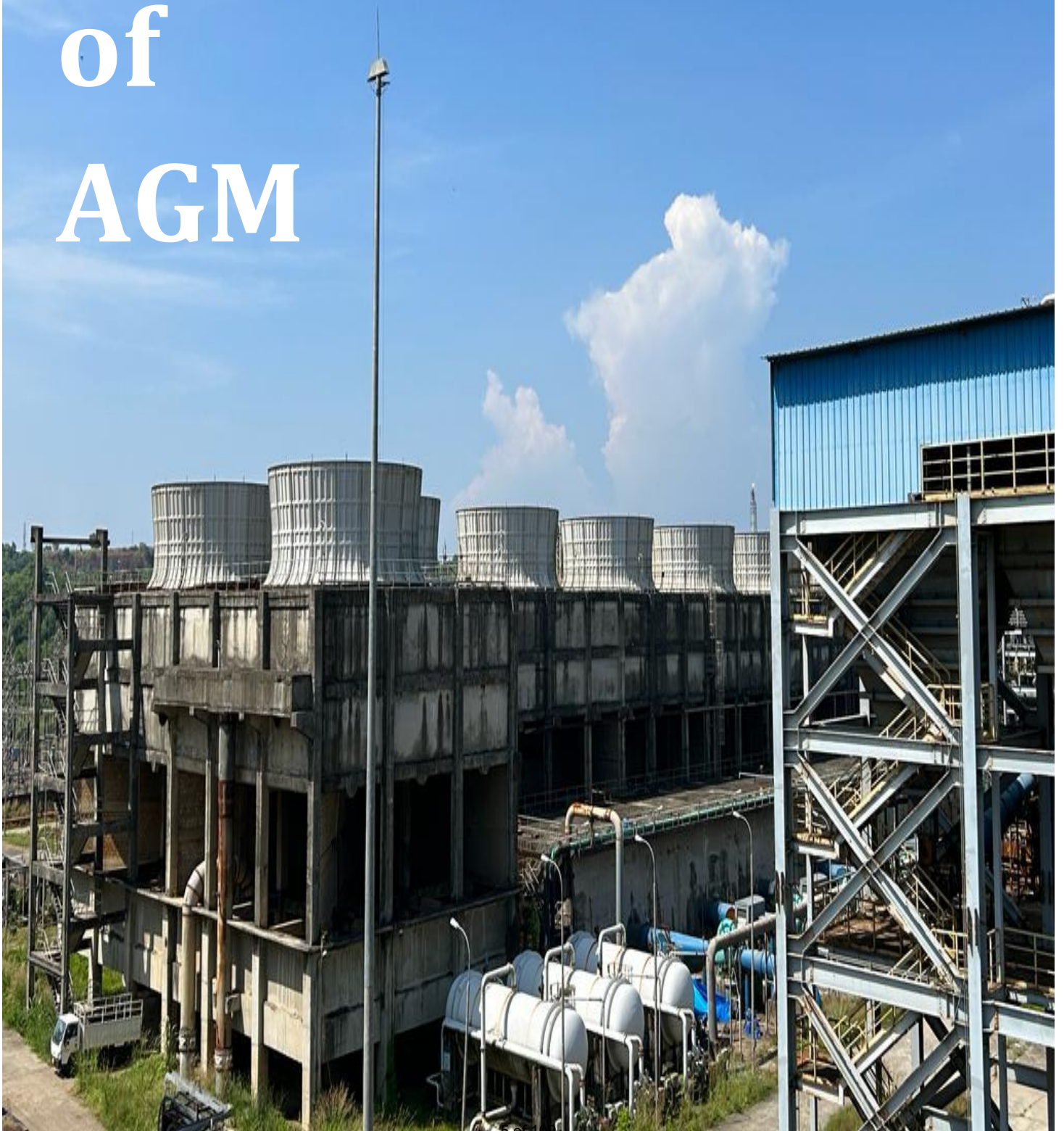
Ph: 011-41406149/50/51/52

Email-id: admin@mcsregistrars.com

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Notice of AGM





GAIL MANGALORE PETROCHEMICALS LIMITED

(Erstwhile JBF Petrochemicals Limited)

(Wholly owned subsidiary of GAIL (India) Limited, a Government of India Undertaking)

Registered Office: GAIL Bhawan, 16, Bhikaiji Cama Place, R. K. Puram, New Delhi-110066

CIN – U24290DL2008GOI423872

Website: <https://gmplonline.in> | **E-mail:** info.gmpl@gail.co.in | **Phone:** 0824-2889925

NOTICE

NOTICE is hereby given that the **4th Annual General Meeting (AGM)** of the Members of **GAIL Mangalore Petrochemicals Limited** (formerly known as JBF Petrochemicals Limited) (“Company” or “GMPL”) will be held on **Monday, 8th September, 2025 at 03:00 P.M.** at the **Registered Office, GAIL Bhawan, 16, Bhikaiji Cama Place, R.K. Puram, New Delhi-110066**, through Video Conferencing Mode (VC) /Other Audio-Visual Means (OAVM) to transact the following business(es):

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements for the Financial Year ended 31st March, 2025, Board’s Report and Independent Auditors’ Report and the comments thereon of the Comptroller & Auditor General of India (C&AG) and to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT Audited Standalone Financial Statements for the Financial Year ended 31st March, 2025, Board’s Report, Independent Auditors’ Report and the comments thereon of the Comptroller & Auditor General of India be and are hereby received, considered and adopted.”

2. To appoint a Director in place of Shri Ajay Tripathi (DIN- 10175571), who retires by rotation, and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT Shri Ajay Tripathi (DIN- 10175571) be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

3. To appoint a Director in place of Smt. Archana Chaturvedi (DIN- 10175522), who retires by rotation, and being eligible, offers herself for re-appointment and to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT Smt. Archana Chaturvedi (DIN- 10175522) be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

By Order of the Board of Directors

Sd/-

(Devika Srivastava)

Company Secretary

M. No.: A54686

Place: New Delhi

Date: 14.08.2025

NOTES:

1. Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 05, 2022, Circular No. 10/2022 dated December 28, 2022, Circular No. 9/2023 dated September 25, 2023 and Circular No 9/2024 dated September 19, 2024 (MCA Circulars) **have permitted the holding of AGM through VC/OAVM**, which does not require physical presence of members at a common venue.
2. Attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
3. The facility of joining the AGM through VC/OAVM will be opened 15 minutes before and will be open upto 15 minutes after the scheduled start time of the AGM.
4. **MEMBER ENTITLED TO ATTEND AND VOTE AT ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING (PROXY FORM IS ANNEXED HEREWITH).**

Pursuant to the provisions of section 105 of the Companies Act, 2013, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxy(ies) lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing of the intention to inspect is given to the Company.

5. The following is annexed with the Notice:
 - i) Information pertaining to the Director(s) proposed for appointment as per Secretarial Standards on General Meetings issued by the ICSI is also forming part of Notice. For the purpose of determination of the Committee positions, Membership/Chairmanship is reckoned considering Audit Committee and Stakeholders Relationship Committee only pertaining to Companies incorporated under the Companies Act, 2013.

6. As per the provisions of the Companies Act, 2013, Additional Director(s) of the Company are not liable to retire by rotation. Further as per the Articles of Association (AOA) of the Company, Chairman of the Company is not liable to retire by rotation.
7. Documents referred in the accompanying Notice are open for inspection by Members, at the Registered Office of the Company during office hours i.e. between 11:00 a.m. and 1:00 p.m., on all working days, except Saturday(s)/Sunday(s)/Holiday(s) and other Holidays declared in the Company, till the date of the AGM.
8. Corporate members intending to send their authorized representative(s) to attend the meeting are required to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting as stipulated in Section 113 of the Act.
9. Based on disclosures received from concerned Director(s), they are inter-se not related to each other and also with any Key Managerial Personnel (KMP) of the Company.
10. Pursuant to Section 139(5) of the Companies Act, 2013, the Statutory Auditors of a Government Company or any other company owned or controlled, directly or indirectly, by the Central Government is appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) and in pursuant to the provisions of Section 142 of the Companies Act, 2013, their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in General Meeting may determine.

The Members of the Company, in their 2nd Annual General Meeting held on 18.08.2023, authorized the Board of Directors to fix the remuneration of Statutory Auditors appointed by Comptroller and Auditor General of India for the Financial Year 2023-24 and for the future years effective from Financial Year 2024-25 in terms of the provisions of Section 142 of the Companies Act, 2013.

Accordingly, the Board of Directors vide Resolution passed by Circulation (CR-8/2024/BOARD) passed on 24.10.2024 (and noted by the Board of Directors in the 13th meeting held on 30.10.2024), fixed audit fee of Rs. 6,30,000/- (out of pocket expenses, TA/DA, food, boarding and lodging extra as per actuals) for the Financial Year 2024-25 payable to M/s Shabbir and Ganesh, Chartered Accountants, Statutory Auditors, appointed by the Comptroller & Auditor General of India.

11. The Company has been maintaining, inter alia, the following statutory registers:
 - Register of Contracts or Arrangements in which directors are interested under section 189 of the Act.
 - Register of Directors and Key Managerial Personnel and their shareholding under section 170 of the Act.

In accordance with the MCA circulars, the said Registers will be made accessible for inspection through electronic mode and shall remain open and be accessible to any member during the continuance of the meeting.

12. Instructions relating to access and participation in the meeting will be made available to the members through e-mail on their designated email address at least one day before the meeting.
13. Members seeking any information with regard to any matter as mentioned in the aforesaid notice, are requested to write to the Company through email to devika@gail.co.in in advance. The same will be replied by the Company suitably.
14. When a poll is demanded by any member during the meeting on any resolution, members may cast their vote through email on devika@gail.co.in
15. The Route Map is annexed with this Notice.

**BRIEF RESUME OF THE DIRECTORS, PROPOSED FOR APPOINTMENT/
RE-APPOINTMENT AS PER
SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2)**

Item No. 2

Shri Ajay Tripathi, (54 Years) is a highly experienced Mechanical engineer with a distinguished career spanning more than 34 years in Operations, Maintenance and Projects in the Petrochemicals and process plants. He graduated from the prestigious Indian Institute of Technology, Kanpur, in 1990.

He is heading GAIL's largest Petrochemical complex at Pata as Officer-in-charge and also served as the Chief Operating Officer (COO) of GAIL's subsidiary BCPL. His expertise lies in managing the polymer and liquid hydrocarbons (LHC) business.

Throughout his career, he has taken significant initiatives to drive Operational excellence, Reliability, Plant Integrity, Energy efficiency, Plant turnarounds & Revamps, Improvement and Sustainability. His contributions have been instrumental in the growth and success of the companies he has served.

No. of Board meetings of the Company attended during FY 2024-25	8
No. of Shares held in the Company (self and as a beneficial owner)	Nil
Inter-se with other Director(s) and KMP(s) of the Company	Nil
Resigned from any listed entities in the past three years	Nil
Directorship and Chairpersonship/Membership of the Committee(s) in other Companies	Nil

Item No. 3

Smt. Archana Chaturvedi, (50 Years) an accomplished and experienced Electrical Engineer with a strong background in the petrochemical industry. She graduated from MNNIT, Allahabad with a degree in Electrical Engineering and embarked on her professional journey at GAIL (India) Limited in 1997 as a Graduate Engineer Trainee (GET). Over the course of her 27-year tenure with the company, Mrs. Chaturvedi has acquired a wealth of knowledge and expertise in various aspects of project execution, operation and maintenance (O&M) of electrical systems, and asset integrity management in Petrochemical Industry. She pursued an MBA in Marketing Management, enhancing her ability to strategically contribute to the organization's growth and success.

During her career, she has played a pivotal role in the successful commissioning of Greenfield and Brownfield petrochemical projects. Her extensive experience in O&M of electrical systems has contributed to the reliable and efficient operation of critical infrastructure in petrochemical plant. In her role as General Manager (Inspection), she has been responsible for asset integrity management and compliance of safety regulations and industry standards in a petrochemical complex.

Her track record of success and commitment to excellence along with effective communication position her as a reliable and accomplished professional in Petrochemical industry.

No. of Board meetings of the Company attended during FY 2024-25	8
No. of Shares held in the Company (self and as a beneficial owner)	Nil
Inter-se with other Director(s) and KMP(s) of the Company	Nil
Resigned from any listed entities in the past three years	Nil
Directorship and Chairpersonship/Membership of the Committee(s) in other Companies	Nil

By Order of the Board of Directors
For GAIL Mangalore Petrochemicals Limited

Sd/-
(Devika Srivastava)
Company Secretary
M. No.: A54686

Place: New Delhi
Date: 14.08.2025

**GAIL MANGALORE PETROCHEMICALS LIMITED**

(Erstwhile JBF Petrochemicals Limited)

(Wholly owned subsidiary of GAIL (India) Limited, a Government of India Undertaking)

Registered Office: GAIL Bhawan, 16, Bhikaiji Cama Place, R. K. Puram, New Delhi-110066**CIN –** U24290DL2008GOI423872**Website:** <https://gmplonline.in> | **E-mail:** info.gmpl@gail.co.in | **Phone:** 0824-2889925**Proxy Form****Name of the shareholder(s):****Folio No./DP ID & Client ID:****Registered address:****E-mail ID:**

I/We, being the member(s) of shares of the GAIL Mangalore Petrochemicals Limited, hereby appoint:

- 1)ofhaving e-mail idor failing him
- 2)ofhaving e-mail idor failing him
- 3)ofhaving e-mail id

and whose signature(s) are appended below, as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 4th Annual General Meeting of the Company to be held on _____ at No: 4-214, Industrial Plot No. - 9, Bajpe Village, Managalore SEZ Limited, Mangaluru, Dakshina Kannada District, Karnataka- 574142 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolution	Vote	
		For	Against
ORDINARY BUSINESS			
1	Adoption of Audited Standalone Financial Statements for the Financial Year ended 31st March, 2025, Board's Report, Independent Auditors' Report and the comments thereon of the Comptroller & Auditor General of India		
2	To appoint a Director in place of Shri Ajay Tripathi (DIN- 10175571), who retires by rotation, and being eligible, offers himself for re-appointment		
3	To appoint a Director in place of Smt. Archana Chaturvedi (DIN- 10175522), who retires by rotation, and being eligible, offers herself for re-appointment		

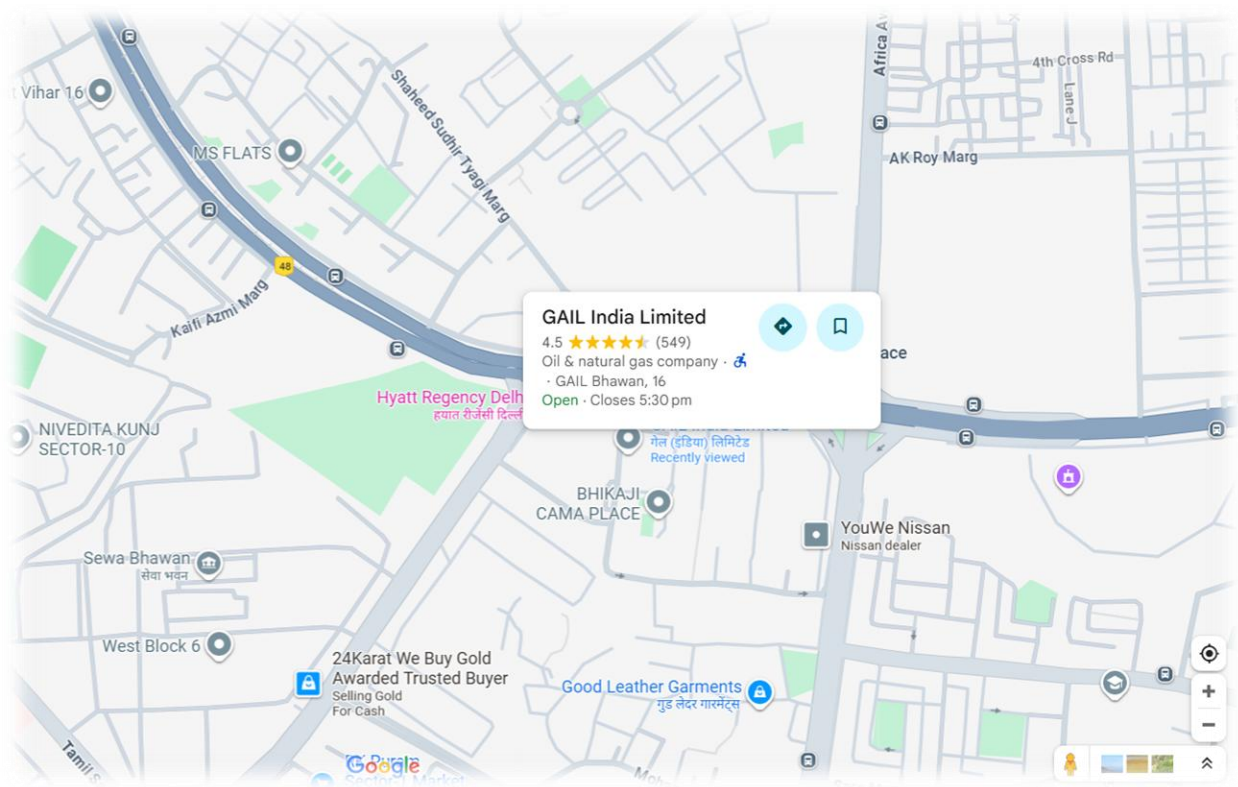
Signed this..... day of..... 2025

Affix Revenue
Stamp Re.1/-

Signature of shareholder**Signature of Proxy holder(s)****First****Second****Third****NOTES:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. The Proxy Form should be signed across the stamp as per specimen signature registered with the Company.
3. Please put 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he/ she so wishes.
5. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

Route Map of Venue of AGM



Prominent landmark: Adjacent to Hyatt Regency Hotel, New Delhi

Board's Report





GAIL MANGALORE PETROCHEMICALS LIMITED
(Erstwhile JBF Petrochemicals Limited)
[A Wholly Owned Subsidiary of GAIL (India) Limited]

BOARD'S REPORT

Dear Members,

On behalf of the Board of Directors, we are delighted to present the 3rd Board's Report (post Corporate Insolvency Resolution Process (CIRP)) of your Company, along with Audited Standalone Financial Statements for the Financial Year (FY) 2024-25.



FINANCIAL HIGHLIGHTS

Your Company has prepared Audited Financial Statements that comply with the applicable Indian Accounting Standards (Ind AS) for the FY ended 31st March, 2025.

Details of Financial Performance for year ended 31st March, 2025:

(Figures in Rs. Lakhs)

Particulars	For year Ended 31.03.2025	For Year Ended 31.03.2024
Revenue from Operations (Net of Taxes)	0.00	0.00
Other Income	321.10	214.14
Total Revenue	321.10	214.14
Operational Expenses	3426.60	1536.24
Finance Cost	223.78	46.81
Depreciation and Amortization Expenses	118.46	31.56
Total Expenses	3,768.85	1,614.60
Profit Before Exceptional items & Tax (PBT)	(3,447.75)	(1,400.47)
Exceptional items	(2,523.78)	(26,992.42)
Profit / (Loss) Before Tax	(923.96)	25,591.96
Deferred Tax Expenses	1,063.05	6,338.18
Profit / (Loss) after Tax	139.08	31,930.13



GAIL MANGALORE PETROCHEMICALS LIMITED
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DIVIDEND

The Book Profit for the FY 2024-25 is Rs. 139.08/- lakhs which is a Book Profit due to reversal of Impairment loss of Rs. 3,191.46/- lakhs and consequent tax profit of Rs. 1,063.05 lakhs. GMPL doesn't have its own resources for its completion of project activities, rather, depends on GAIL (India) Limited (GAIL), its holding Company to get fund for its Capex. Therefore, no dividend is recommended for payment to Shareholders.

COMPANY'S PERFORMANCE & PRODUCTS

The plant is currently under revival stage. Upon commissioning, it will have an annual production capacity of 1.25 Million Metric Tons of Purified Terephthalic Acid (PTA). The PTA produced will be marketed primarily to industries engaged in Textile Resin and PET Bottle manufacturing.

PTA is a B2B product, and the Indian market is currently dominated by three major producers: Reliance, IOCL, and MCPI. GMPL is set to enter this competitive landscape shortly. To establish a strong market presence and compete effectively with these established players, selecting a distinctive and impactful brand name is a critical first step. The chosen name should not only inspire credibility and influence customer preference but also have a unique and globally appealing identity.

Recognizing the importance of brand positioning, an internal survey to identify a suitable brand name for GMPL's PTA product was conducted. The aim was to find a name that aligns with GAIL's strong branding legacy in the polyethylene market, represented by established brands such as G-Lex and G-Lene. Based on the survey inputs, GMPL'S Board has approved the Brand name "G-Tex" for GMPL's PTA product. Furthermore, it was informed that the detailed design of the brand name, i.e., size, font and appearance would be developed subsequently through GAIL's GPTC.





GAIL MANGALORE PETROCHEMICALS LIMITED
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TRANSFER TO RESERVES

Amount of Rs. 139.08/- Lakh was transferred to Retained earnings during the FY 2024-25.

STRUCTURE OF SHARE CAPITAL

The Authorized Share Capital of the Company as on 31st March, 2025 is Rs.12,50,00,00,000/- (Rupees One Thousand Two Hundred and Fifty Crore Only) divided into 125,00,00,000 (One Hundred Twenty-Five Crores) Equity shares of Rs. 10/- each.

Your Company had issued and allotted equity shares to GAIL, its holding Company amounting to Rs. 377/- Crore (Rupees Three Hundred and Seventy-Seven Crore) during the FY 2024-25. The total paid-up share capital of the Company was Rs. 1,090 Crore (Rupees One Thousand and Ninety Crore) as on 31.03.2025 divided into 109 Crore (One Hundred and Nine Crore) equity shares of Rs. 10/- each.

Your Company made further allotment of Rs. 160 Crore (Rupees One Hundred and Sixty Crore) during the FY 2025-26 raising the paid-up share capital to Rs. 12,50,00,00,000/- (Rupees One Thousand Two Hundred and Fifty Crore Only) divided into 125,00,00,000 (One Hundred Twenty-Five Crore) equity shares of Rs. 10/- each.

Your Company has not issued any preference share capital to its shareholders.

PUBLIC DEPOSITS

Your Company has not accepted deposit from the public under Chapter V of the Companies Act, 2013 during the FY 2024-25 and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

CREDIT RATING (DOMESTIC RATING)

Your Company has been provided CARE AA- for FY 2024-25 by CARE Ratings Limited.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Your Company does not have any subsidiary, Joint Ventures or Associate Companies.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The following changes took place in the Board of Directors/ Key Managerial Personnel of your Company after 1st April, 2024:



GAIL MANGALORE PETROCHEMICALS LIMITED
(Erstwhile JBF Petrochemicals Limited)
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Appointments:

Shri Aloke Kumar Naskar as Chief Executive Officer (CEO) w.e.f. 01.04.2025



Cessations:

Shri Sudhir Kumar Dixit as CEO w.e.f. 01.04.2025

Your Board placed on record its deep appreciation for the valuable services rendered by outgoing CEO during their association with the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of clause 7.5 of the DPE Guidelines on Corporate Governance, Management Discussion and Analysis forms part of this report as **Annexure-A**.

CORPORATE GOVERNANCE

Your Company believes that good corporate governance plays a critical role in establishing a positive organizational culture. Pursuant to DPE guidelines on Corporate Governance, a report on Corporate Governance forms part of Board's Report at **Annexure- B**.

The details of the meetings of the Board and its sub-Committees, general body meetings, share ownership pattern and other relevant details form part of the report on Corporate Governance.

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of your Company in the future.

The Practicing Company Secretary, M/s Tarun Saini & Associates, New Delhi of the Company have examined and certified your Company's compliance with respect to conditions enumerated in DPE guidelines on Corporate Governance. The certificate forms part of Board's Report at **Annexure-C**.



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PERFORMANCE EVALUATION

As per notification dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India, Government Companies are exempted from complying with the provisions of Section 134(3)(p) of the Companies Act, 2013 with respect to performance evaluation of Board and its Committees.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

There were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Since, your Company has net losses as per average profit/loss for last three years, the Company was not required to spend any amount on CSR during the FY 2024-25. The CSR Committee of the Board of Directors has been constituted under Section 135 of Companies Act, 2013 read with the Rules thereunder.



PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments, as may be applicable, are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS

The details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Indian Accounting Standards.

STATUTORY AUDITORS AND AUDITORS' REPORT

M/s Shabbir and Ganesh, Chartered Accountants, Udupi, was appointed by the Comptroller & Auditor General of India for the FY 2024-25, as the Statutory Auditor of your Company.

Notes on Audited Standalone Financial Statements referred to in the Auditor's Report is self-explanatory and does not require any further comments. There are no qualifications by the statutory Auditor on the Financial Statements of your Company for the FY 2024-25.

EXPLANATIONS/COMMENTS OF THE BOARD ON AUDIT QUALIFICATIONS

There are no audit qualifications given by the Statutory Auditors on the Financial Statements for the FY 2024-25.



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SECRETARIAL AUDITORS AND THEIR REPORT

Your Company has appointed M/s Tarun Saini & Associates, as the Secretarial Auditor for FY 2024-25. Secretarial Audit Report confirming compliance to the applicable provisions of the Companies Act, 2013 and other applicable laws, forms part of this Report at **Annexure-D**.

The observation made by Secretarial Auditor and Company's response to the observations are as under: -

Observation No. 1-

Non-compliance of Clause 3.1.1, 3.1.2 and 3.1.4 of the DPE Guidelines on Corporate Governance with respect to Composition of Board of Directors- Company did not have optimum combination of Functional and Independent Director on the Board of the Company during the period under review.

Company's Response-

The Company being CPSE, appointment/nomination of Independent Directors on the Board of the Company is done by Government of India (GOI). GMPL is taking up with MoP&NG, GOI for appointment of requisite number of non-executive Directors. Due to the non-appointment of requisite number of Independent Directors, composition of the Board could not be complied.

Observation No. 2-

Non-compliance of Clause 4.1.1, 4.1.2, 4.4 and 5.1 of the DPE Guidelines on Corporate Governance with regard to composition of Audit Committee, Quorum of the Audit Committee and constitution of the Remuneration Committee during the period under review.

Company's Response-

Due to the non-appointment of requisite number of Independent Directors, the provision related to composition and quorum of Independent Directors in Audit Committee & composition of Remuneration Committee could not be complied.

COST AUDITOR

As Company is in project execution stage, the provisions related to Cost Audit under Section 148 of the Companies Act, 2013 is not applicable on your Company.

INTERNAL AUDITOR

Your Company has appointed M/s NBS & Co., Chartered Accountants, Mangalore as the internal auditors of GMPL for FY 2024-25.

HUMAN CAPITAL

Your Company is a wholly-owned subsidiary of GAIL, wherein employees are placed on secondment from GAIL.



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As on March 31, 2025, the total employees of the Company on secondment from parent Company i.e. GAIL are 55, out of which 13% belonged to SC, 7% to ST and 38% to OBC.

Furthermore, your Company has engaged 72 nos. personnel on Fixed Term Basis out of which 61.11 % belong to OBC. No physically challenged category employee was on secondment/ rolls of the Company.

Your Company has complied with applicable provisions of the Maternity Benefits Act, 1961.



DEVELOPMENT OF HUMAN RESOURCES

Your Company lays a strong emphasis on deploying the best talent and in association with GAIL's Training Institute (GTI), organizes structured training programs for the employees deputed from GAIL. Furthermore, adequate training is being imparted to personnel engaged on Fixed Term to enable them to discharge their roles and responsibilities required for ongoing revival.

VIGILANCE

In pursuance of the DPE Guidelines on Corporate Governance, the Chief Vigilance Officer (CVO) of the parent Company, GAIL (India) Limited oversees the vigilance functions of your Company.



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A Summary of vigilance cases handled during the FY 2024-25 is as under:

Complaint/ Detailed Investigations	Opening Balance (as on 01.04.2024)	Complaints Received / Taken-up for DI (During the year 2024- 2025)	Total	Disposed- off during the year	Closing balance as on 31.03.2025 (under investigation)
Complaints	Nil	Nil	Nil	Nil	Nil
Detailed Investigations	Nil	Nil	Nil	Nil	Nil

OFFICIAL LANGUAGE

Your Company is continuously making efforts to propagate the use of the official language of the Union. All official email IDs are in Hindi and English. Employees are encouraged to communicate in Hindi.

WHISTLE BLOWER POLICY

Your Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism / Whistle Blower Policy wherein employees are free to report any improper activity resulting in violations of laws, rules, regulations or code of conduct by any of the employees, to the competent authority.

During the year under review, no complaint was received under Whistle Blower Policy.

FRAUD PREVENTION POLICY

The Fraud Prevention Policy has been formulated and implemented. During the year under review, no complaint was received under Fraud Prevention Policy.

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

Your Company has taken adequate measures for conservation of energy and technology absorption. During the Financial Year, the Company has installed approximately 800 LED Lights replacing old fluorescent / sodium vapor lights. This has led to an annual energy savings of approximately 1,20,000 KWH per year. Also, 12 Nos of Energy Efficient Air Conditioner Units were installed during the Financial Year.

As far as technology absorption is concerned, that Company's PTA Manufacturing Plant is already based on a licensed based technology of INEOS, USA. Apart from it, the Company is leveraging the latest software and IT solutions to conduct its day-to-day operations.



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During the FY 2024-25, the foreign exchange earning was NIL and outgo was Rs. 92.25 Crore.

IT ADVANCEMENTS

Your Company has made significant progress in enhancing its IT and communication infrastructure. During the year, Optical Fiber Cable (OFC) was laid across 15 buildings inside the plant, and IT assets such as PCs, printers and scanners were procured and deployed for end-user accessibility. Your Company now has a dedicated high-speed internet service with 100 Mbps bandwidth and a backup line has been commissioned, accompanied by a complete upgrade of critical network infrastructure including routers, firewalls, and switches. In-plant communication has been strengthened through the provision of licensed walkie-talkies. Further, a telephone exchange was set up and PSTN-enabled telephones have been provided to users.



MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes or commitments affecting the financial position of the Company between the end of the Financial Year and date of this report.

CODE OF CONDUCT

Pursuant to the requirements of the DPE Guidelines on Corporate Governance, the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ending 31st March 2025.



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SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the FY 2024-25, there was no order or direction of any court or tribunal or regulatory authority either affecting Company's status as a going concern or which significantly affected Company's business operations.

CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in the nature of business of the Company.



INTERNAL CONTROLS AND ITS ADEQUACY

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the Board is of the opinion that the Company's internal financial controls are adequate and operating effectively. The internal financial controls are commensurate with the size and nature of the business of the Company.



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**DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE
(PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

Your Company has in place a robust Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 with respect to FY 2024-25 is as under:

a)	Number of complaints pending at the beginning of the financial year	NIL
b)	Number of complaints filed during the financial year	NIL
c)	Number of complaints disposed of during the financial year	NIL
d)	Number of cases pending for more than ninety days	NIL
e)	Number of complaints pending at the end of the financial year	NIL

PROCUREMENT FROM MICRO AND SMALL ENTERPRISES (MSEs)

The Government of India has notified a Public Procurement Policy for Micro and Small Enterprises (MSEs), Order 2012 and its amendments. Your Company has complied with all the requirement is respect to MSEs.

Procurement from Micro and Small Enterprises (MSEs):

Your Company is a socially responsible business organization and offers ample opportunities via its Public Procurement Policy (PPP) for vendors and suppliers. This gives fair opportunities to MSEs, encouraging participation and cultivating sustainable growth.

While implementing its Public Procurement Policy (PPP) for MSEs, your Company focuses on the following minimum allocation: 25% of the procurement from MSEs, 4% from MSEs owned by the SC/ST entrepreneurs and 3% from MSEs owned by the women entrepreneurs.

Your Company has made timely payment to MSE vendors in FY 2024-25.





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Procurement through Government e-Marketplace (GeM):

The Government e-Marketplace (GeM) is a Government-run e-commerce portal. It is a one-stop platform to facilitate and enable easy online procurement of Goods & Services that are needed by various Government Departments, Organizations and PSUs.

During the FY 2024-25, your Company has made procurements worth Rs. 118.98 Crores from GeM Portal which is 39.74% of total eligible value of annual procurement of Rs. 299.38 crores.

RIGHT TO INFORMATION (RTI)

In order to promote transparency and accountability, an appropriate mechanism has been set up across the Company in line with the provisions of Right to Information Act, 2005. Your Company has nominated 01 Central Public Information Officer (CPIO) & 01 Appellate Authority, to provide information to citizens under the provisions of the RTI Act, 2005.

Section 4(1)(b) of the RTI Act, 2005 stipulates about the obligation of Public Authorities about the information which should be disclosed by every Public Authority on a suo-motu or proactive basis. Section 4(2) and Section 4(3) of the RTI Act, 2005 prescribes the method of dissemination of this information. Accordingly, keeping in view the purpose of suo-motu disclosures under Section 4, your Company is working on displaying relevant / required information on its official website <https://gmplonline.in/> wherein a dedicated page for RTI has already been created.



For the FY 2024-25, the disposal rate in respect of RTI Applications has been 100%. [9 nos. applications were received and have been disposed within the prescribed time scheduled as per the provisions of RTI Act].



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PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

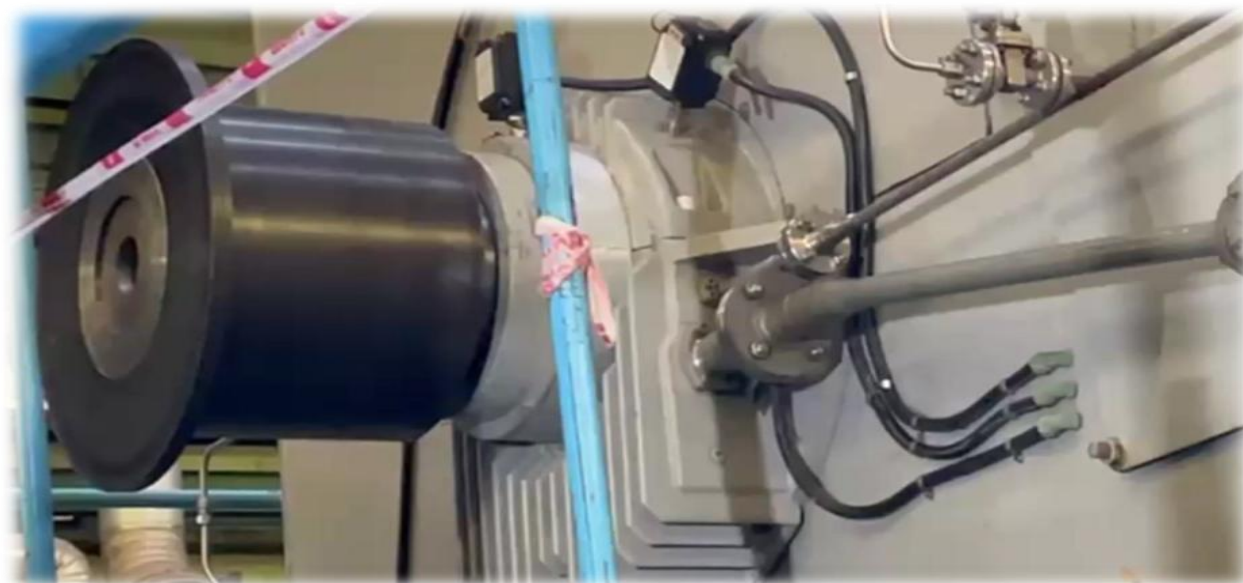
During the year, all RPTs were on arm's length basis and in the ordinary course of business. Therefore, there is no RPT which required approval of the Board / Shareholders under section 188(1) of the Companies Act, 2013. As such, no RPTs needs to be reported in e-Form No. AOC-2, in terms of Section 134(3)(h) read with Section 188 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.

HEALTH, SAFETY AND ENVIRONMENT (HSE)

Your Company believes that safety of its workforce and all its stakeholders is of critical importance to its functioning and success. It has incorporated all the necessary measures to promote the highest level of Safety, Health, Environment (HSE) in all areas of ongoing revival / construction work at the PTA Plant.

Various measures and best practices have been put in place to avoid injuries accidents or any other untoward incident. Your Company is committed to ensure incident and accident-free revival, construction, and commissioning of the PTA Plant. A variety of initiatives were taken to ensure the safety of both people and equipment. During the FY 2024-25, the Company has reported no accidents.

Also, your Company promotes good health among workers and provides a positive, safe and healthy environment for employees. Several initiatives have been taken to ensure a work-life balance for its employees thus, keeping them loyal and committed to the Company.



ANNUAL RETURN

Annual Return is hosted on your Company's website at <https://gmplonline.in/compliance-reports/>



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DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

(a) In the preparation of the annual accounts for the year ending March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) The directors 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 financial year and of the profit and loss of the Company for that period;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a going concern basis;

(e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



ACKNOWLEDGEMENT

Your Directors express their gratitude for the help, guidance and support received from the GAIL as well as the various State Governments, Regulatory and Statutory Authorities.

Your Directors and employees look forward to the future with confidence and stand committed towards creating a mutually rewarding future for all stakeholders.

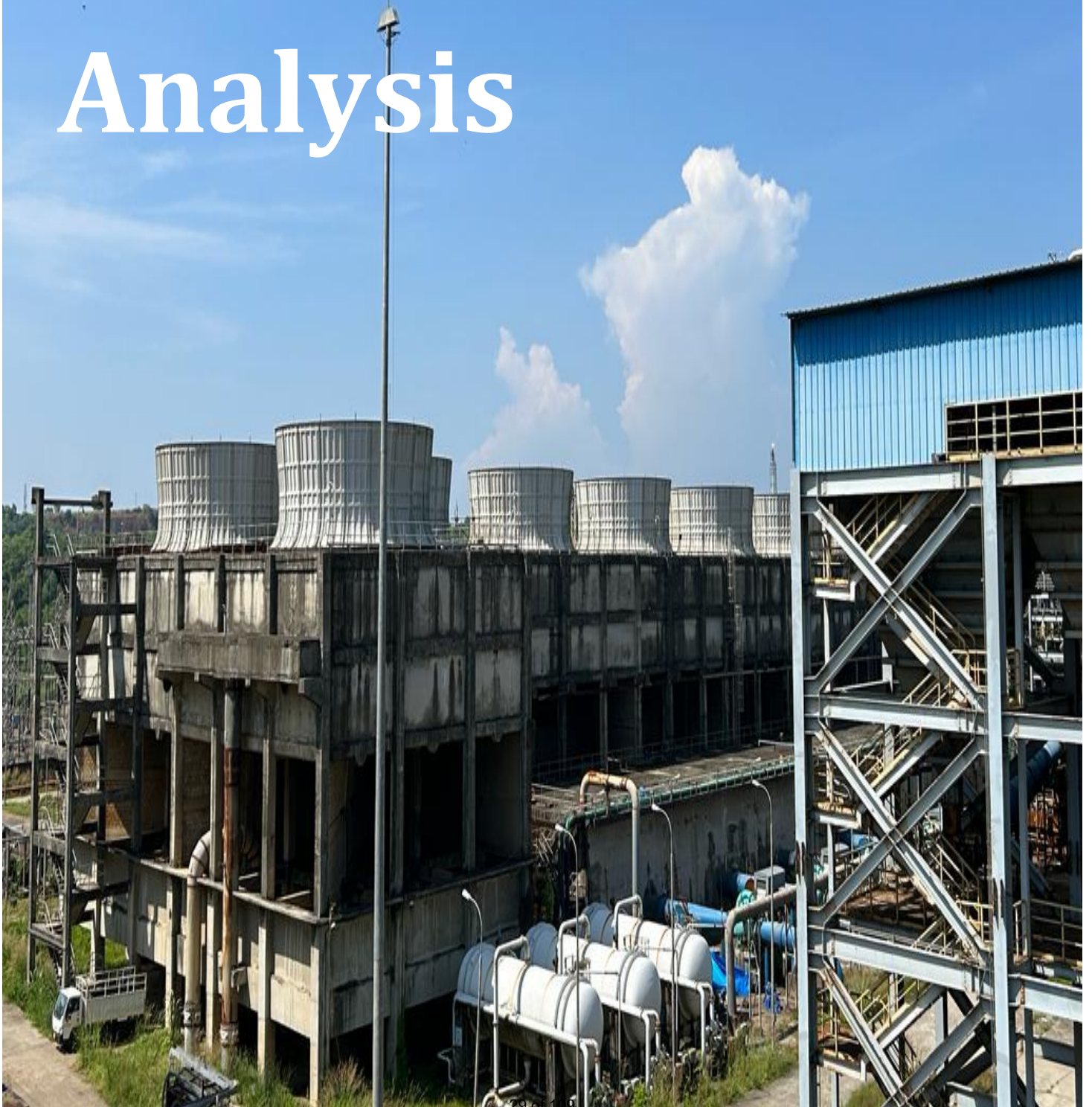
For and on behalf of the Board of Directors

Sd/-
(Ayush Gupta)
Chairman
DIN: 09681775

Place: New Delhi

Date: 14.08.2025

Management Discussion Analysis





GAIL MANGALORE PETROCHEMICALS LIMITED

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MANAGEMENT DISCUSSION & ANALYSIS

COMPANY OVERVIEW

GAIL Mangalore Petrochemicals Limited (GMPL) is a wholly owned subsidiary of GAIL. GMPL owns a 1.25 Million Metric Tons Per Annum of Purified Terephthalic Acid (PTA) manufacturing plant constructed in the Special Economic Zone of Mangalore, Dakshina Kannada District, Karnataka.

PTA, a key industrial chemical, is essential in making polyester fibres, textiles, packaging materials, and specialty polymers like liquid crystal polymers and plasticizers. It is also used to produce Polyethylene Terephthalate (PET) for fibres, bottle resins, and films. It is manufactured by oxidizing Paraxylene in Acetic Acid with a catalyst, followed by purification processes like hydrogenation and crystallization.



In 2023, GAIL has acquired the plant through Hon'ble NCLT under the Corporate Insolvency Resolution Process (CIRP) at a cost of Rs. 2101 Crores. M/s JBF Petrochemicals Limited (JBFPL), a private holding Company, was the owner of the plant. The plant aimed to supply PTA, a key raw material for polyester, to the polyester manufacturing facilities of M/s JBF Industries Ltd, the parent Company of JBFPL. The plant's construction was suspended in 2017.

Following the acquisition, the primary task for GMPL was to revive the plant, complete the balance construction works and commission the plant. The initial estimate for the plant's revival projected a requirement of Rs, 2,082 Crores and a timeline of two years. GMPL has so far completed revival works in several sections and has successfully commissioned key utility



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generation units, including Air Compression, Nitrogen Generation, DM Water, Tank Farm, Cooling Towers, and others.

However, a recent reassessment indicates that an additional eight months may be needed to complete the revival works and start production. Meanwhile, GAIL has completed its equity infusion commitments, and the Company is now proceeding with debt infusion.

ECONOMIC AND INDUSTRY OVERVIEW

The Purified Terephthalic Acid (PTA) Market was valued at approximately USD 57.8 billion in 2024 and is projected to reach around USD 92.4 billion by 2033, growing at a CAGR of about 5.3% from 2025 to 2033. [According to a press release from Orion Market Research in Jan 2025]. Industry analysts (e.g. Technavio) forecast a market increase of USD 18.2 billion between 2024 and 2029 alone, growing at ~5.1% CAGR. In terms of volumes, as per Mordor Intelligence the global market volume is forecasted to rise from 93.45 million tonnes in 2025 to 122.14 million tonnes in 2030.



The industry is increasingly focused on sustainability, exploring bio-based PTA and recycled PET (r-PET) usage, particularly across North America and Europe. Capacity expansions and joint ventures by major producers (e.g. Reliance, SABIC, Indorama) continue to aim at meeting rising polyester demand. Global trade remains influenced by tariffs, supply-chain logistics, and regulatory policies, especially impacting export pricing and sourcing patterns.

As per S&P Global's analysis in Feb '25, in 2024, India's PTA demand grew by about 12%, as buyers diversified away from China. Imports totalled ~1.78 million tons vs. 1.59 million tons in 2023, shifting sources to Taiwan, Malaysia, Thailand, Indonesia, and South Korea. Chinese PTA market share in India shrank from ~57% (2022) → ~44% (2023) → ~21% (by Nov 2024), due to both BIS standards and shifting import patterns.



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RISKS, CONCERNS & MITIGATION

As mentioned above, the PTA manufacturing plant was acquired through the Corporate Insolvency Resolution Process (CIRP). Construction had been suspended several years prior to the acquisition, necessitating a thorough inspection and meticulous testing of each piece of equipment to ensure safety and reliability during pre-commissioning, commissioning, and steady-state operations.

Securing reliable and long-term sources of key raw materials—Paraxylene, Hydrogen, and Acetic Acid—remains a critical challenge the Company is actively addressing. For Paraxylene, rigorous efforts are being made for exploring market opportunities to secure the most favourable deals for the Company. Capitalizing on its proximity to the port, the Company is developing essential infrastructure such as pipeline, a booster pumping station at the port, and additional storage tanks at the plant. Regarding Hydrogen, negotiations are underway with MRPL for a long-term supply agreement. Simultaneously, the Company is exploring in-house Hydrogen generation options by utilizing surplus power generated during PTA production. For Acetic Acid, the Company is at an advanced stage of finalizing domestic procurement on an FOT basis.

Another major area of concern is the limited product storage capacity originally envisaged by the erstwhile JBFPL. Recognizing this constraint, the Company is actively working on enhancing its storage infrastructure, including both augmentation of existing facilities and exploring alternative storage solutions. In parallel, efforts are underway to engage with transporters and other logistics service providers to ensure seamless evacuation and distribution of finished products. Additionally, GMPL is focusing on securing potential long-term and bulk customers to ensure sustained offtake.

Your Company has been able to establish robust, comprehensive, and stringent Health, Safety, and Environment (HSE) protocols, along with other critical operational procedures, ensuring alignment with industry best practices and regulatory standards.



HSE

Health
Safety
Environment



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FINANCIALS

a. PERFORMANCE

(₹ in Crore)

Particulars	FY 2024-25	FY 2023-24	Change Increase/ (Decrease)
Revenue from Operations	0	0	-
Profit Before Tax	(9.24)	255.92	(103.61%)
Profit After Tax	1.39	319.30	(99.56%)

b. PARAMETERS

(₹ in Crore)

Particulars	FY 2024-25	FY 2023-24
Capex	642.42	160.11
Reserves and Surplus	2,858.90	2,857.51
Net worth	3,948.90	3,570.51
Total Loans outstanding	1,476.00	1,476.00





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ENVIRONMENTAL PROTECTION AND CONSERVATION, TECHNOLOGICAL CONSERVATION, RENEWABLE ENERGY DEVELOPMENTS, FOREIGN EXCHANGE CONSERVATION

Your Company remains fully conscious of its responsibilities towards environmental protection and sustainability. As part of its commitment, it is actively engaged in the process of renewing various environmental permissions, consents, and clearances issued by statutory authorities, or facilitating their transfer in the name of GMPL. Throughout the ongoing revival and construction phase of the plant, the Company has ensured strict compliance with all applicable environmental norms and regulatory requirements.



It is pertinent to note that, as of now, the Company has not commenced operations and has neither generated nor discharged any effluents.

Regarding energy conservation and the use of renewable energy sources, these aspects are presently not applicable since the Company is in the process of reviving an already constructed and near-complete plant. Nonetheless, the Company remains committed to adopting energy-efficient and sustainable practices as it transitions into full-scale operations.

During FY 2024–25, your Company has experienced a substantial increase in foreign exchange exposure compared to the previous fiscal year (FY 2023–24), and this trend is anticipated to continue in the coming years owing to increased international transactions and procurement dependencies. In view of this growing exposure, the Company has initiated efforts to formulate and implement a structured policy framework aimed at effectively managing and mitigating foreign exchange-related risks.

This framework is being developed by incorporating key learnings and best practices from GAIL's robust risk management procedures and operational guidelines.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company by virtue of adoption of GAIL's Policies, Procedures and Practices already have robust internal control systems in place. As such, the Company's internal control system ensures efficiency, reliability, completeness of accounting records and timely preparation of reliable financial and management information. Internal financial controls framework for various business processes is in place and reviewed continuously by the management. In addition, it also ensures compliance of all applicable laws and regulations, optimum utilization and safeguard of the Company's assets.

Internal audit is being conducted by M/s NBS & CO, Chartered Accountants, Mangalore.



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HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company's Industrial Relations climate remained congenial and constructive. There were no Man Days or Man Hours lost on account of any sort of industrial conflict/unrest. The Company is under revival stage and heading towards commissioning. Your Company has a focus on building capabilities and developing competencies of its employees.

There was no strike or lock-out during the FY 2024-25.



CORPORATE SOCIAL RESPONSIBILITY

Your Company as a socially responsible Corporate understands and acknowledges its responsibilities towards the communities, the environment and all other stakeholders involved in the process.



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CONCLUSION

As such, your Company as such is at a very nascent stage, in terms of establishing its footprints in the PTA Market and PTA Business. The primary task at hand for your Company is to revive and commence production. With the support and guidance of the parent Company GAIL, your Company is set to achieve the same within the targeted dates.

CAUTIONARY STATEMENT

Statements in the Board's Report and Management Discussion & Analysis, describing the Company's objectives, strategies, projections and estimates, expectations, etc. may be "forward looking statements" and progressive within the meaning of the applicable laws and regulations. By their nature, forward-looking statements require your Company to make assumptions and are subject to inherent risks and uncertainties. Forward looking statements which involve a number of underlying identified / non-identified risks and uncertainties that could cause actual results to differ materially from the expectations.

Critical factors that could influence the Company's operations include global and domestic demand and supply conditions, changes in Government regulations/tax laws, economic developments within the country and factors such as litigation and industrial relations. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based, are also likely to change accordingly.

These forward-looking statements represent only your Company's current intentions, beliefs and expectations. Your Company assumes no obligation to revise or update any forward-looking statement, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on the forward-looking statements.

Report on Corporate Governance





GAIL MANGALORE PETROCHEMICALS LIMITED

(Erstwhile JBF Petrochemicals Limited)

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REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance

Corporate governance in GMPL reflects our value system. Through effective corporate governance, Board seeks to embed and sustain a culture that will enable GMPL to fulfil its purpose and achieve its long-term strategic objectives, by building durable partnerships and upholding its core values of Integrity & Ethics, respect, customer, safety, excellence, and, Technology & Innovation.

GMPL's strong and effective governance framework supports these values by addressing the potential risks that are crucial for its business and helps align the Management responsibilities with the Board's oversight of the organization.

Besides complying with the statutory guidelines, your Company has voluntarily adopted and evolved various practices of governance conforming to highest ethical and responsible standards of business. These practices reflect the way business is conducted and value is generated.





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2. Board of Directors

i. Composition of the Board

Your Company is managed by the Board of Directors, which formulates strategies, policies and reviews its performance periodically. As per the Articles of Association of the Company, the number of Directors shall not be less than 3 (Three) and not more than 12 (Twelve).

As on March 31, 2025, there were 6 (Six) Directors on the Board of your Company. The composition and attendance record of the Company's Board of Directors w.r.t. Board Meeting during the FY ended 31st March, 2025 are as follows:

Name and Designation of the Director	No. of Board Meetings attended during the Tenure	Attendance at Last Annual General Meeting	Directorships held in other Companies as on 31 st March, 2025
<i>Non-Executive Director</i>			
Shri Ayush Gupta Chairman (DIN: 09681775)	8 out of 8	Yes	4
Shri Ajay Tripathi Director (DIN:10175571)	8 out of 8	Yes	--
Shri Manab Kumar Biswas Director (DIN:10394523)	8 out of 8	Yes	--
Shri Satish Kumar Sinha Director (DIN: 10528036)	8 out of 8	No	--
Dr. Rama Srinivasan Velmurugan Director (DIN: 10175586)	8 out of 8	Yes	--
Smt. Archana Chaturvedi Director (DIN:10175522)	8 out of 8	Yes	--



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Notes:

- During the FY 2024-25, 8 (Eight) Board meetings were held.
- 3rd Annual General Meeting of the Company was held on 24.09.2024.
- Brief resume of directors appointed/ reappointed at the forthcoming AGM is given in the Notice of AGM.
- Video conferencing facilities was provided by the Company to facilitate Directors at other locations to participate in Board/Committee meetings.

Based on disclosures received from the concerned Director(s):

1. None of the Director(s) on the Board held Directorship in more than 20 (twenty) companies as prescribed under the Companies Act, 2013.
2. None of the Director(s) on the Board is a member of more than 10 (ten) Committees or Chairman of more than 5 (five) Committees across all the Companies in which he/she is a Director. Membership/Chairmanship in a Committee is reckoned pertaining to Audit Committee and Stakeholders Relationship Committee.
3. None of the non-executive Directors hold any Equity Shares of the Company.
4. Directors inter-se are not related to each other and also to other Key Managerial Personnel.
5. None of the Directors hold any Equity Shares in the Company in their own names including as Beneficial Owner
6. The Directorship(s) held by Directors as mentioned above include Directorship(s) in public limited, private limited and foreign companies.

ii. Independent Directors

Presently, there is no Independent Director(s) on the Board of your Company. Your Company is a Government Company under the administrative control of the Ministry of Petroleum & Natural Gas (MoP&NG) wherein Independent Directors are appointed/nominated by the Government of India (GoI). Your Company is following up with its Administrative Ministry (MoP&NG) Government of India for appointment of requisite no. of Independent Director(s) on its Board.

iii. Woman Director

During the FY 2024-25, one Woman Director was present on the Board of your Company.



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iv. Details of Board Meetings

The meetings of the Board of Directors are generally held at the Company's Registered Office situated at New Delhi. Video- conferencing facility is also provided to facilitate Directors at other locations to participate in Board/ Committee Meetings.

During the FY 2024-25, 8 (Eight) meetings of the Board were held and the gap between any two meetings was not more than 120 days, the details of which are as below:

S. No.	Date of Board Meeting(s)
1.	09.05.2024
2.	28.06.2024
3.	26.07.2024
4.	02.09.2024
5.	05.09.2024
6.	30.10.2024
7.	24.01.2025
8.	25.02.2025

3. Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer view. The Board constitutes, assigns, co-opts and fixes the terms of reference of various Committees including its quorum. All decisions and recommendations of the Committees are placed before the Board for information or for approval. The approved minutes are circulated to the members of the Committee and also to the concerned department/group for implementation of the decision. The minutes of the Committees are further placed in the next Board meeting for information.

Presently, there are 3 (Three) Committees of the Board viz. Audit Committee, Remuneration Committee and Corporate Social Responsibility (CSR) Committee. Details of the Committees are as follows:

i. **AUDIT COMMITTEE**

Terms of Reference

The terms of reference of the committee is to inter alia is to undertake oversight 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, Recommending to the Board the fixation of audit fees, Approval of payment to statutory auditors for any other services rendered by the statutory auditors, Reviewing, with the management, the annual financial statements before submission to the Board for approval, Reviewing, with the Management, the quarterly financial statements before submission to the Board for



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approval, Reviewing, with the management, performance of internal auditors and adequacy of the internal control systems, Review all related party transactions in the Company, etc.

Further, role of Audit Committee is as per the DPE guidelines on Corporate Governance for CPSES, 2010 as amended from time to time.

Composition

As on 31st March, 2025, Audit Committee comprised of Shri Ajay Tripathi as the Chairperson, Shri Manab Kumar Biswas, Shri Satish Kumar Sinha and Dr. Rama Srinivasan Velmurugan as Members.

The representatives of the Statutory Auditors attended the Committee meetings in which annual financial result / financial statements were considered.

Meeting & Other Details

During the FY 2024-25, 5 (Five) meetings of the Audit Committee were held: 9th May, 26th July, 2nd September, 30th October in the year 2024 and 24th January in the year 2025.

The attendance of the Members at the meetings was as under:

S. No.	Members	No. of Meetings	
		Held during the tenure	Attended
1.	Shri Ajay Tripathi- Chairperson	5	5
2.	Dr. Rama Srinivasan Velmurugan	5	5
4.	Shri Manab Kumar Biswas	5	5
5.	Shri Satish Kumar Sinha	5	5

During the year, there was no instance(s), where the Board had not accepted any recommendation(s) of the Audit Committee. Your Company has ensured to remain in the regime of unqualified statement.

ii. REMUNERATION COMMITTEE

Terms of Reference

The terms of reference of the committee is to inter alia deliberate and decide the annual bonus/variable pay pool and policy for its distribution across the executives and non-unionized supervisors, within the prescribed limits.



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Further, role of Remuneration Committee is as per the DPE guidelines on Corporate Governance for CPSES, 2010 as amended from time to time.

Composition

As on 31st March, 2025, Remuneration Committee comprised of Shri Satish Kumar Sinha as Chairman, Dr. Rama Srinivasan Velmurugan and Smt. Archana Chaturvedi as Members.

Meeting & Other Details

During the FY 2024-25, no meeting of Remuneration Committee Meeting was held.

As you are aware, your Company being wholly owned subsidiary of GAIL (India) Limited, Director(s) is/ are nominated by GAIL. All Key Managerial Personnel (KMP)/Senior Management Personnel (SMP) are the employees of the Parent/Promoter Company, GAIL and paid remuneration, perks and benefits as are generally applicable to the employees of GAIL. Performance Related Pay (PRP) is being decided and paid by the promoter Company. GAIL Nominee Directors does not receive any sitting fee/compensation from your Company for attending the meetings of the Board as well as sub-Committees of the Board.

iii. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Terms of Reference

The terms of reference of the Committee is to formulate and recommend to the Board, a CSR Policy, recommend the amount of expenditure to be incurred and monitor the CSR Policy of the Company from time to time, any other activity delegated by the Board.

Composition

As on 31st March, 2025, CSR Committee comprised of Shri Ajay Tripathi as the Chairperson, Dr. Rama Srinivasan Velmurugan and Smt. Archana Chaturvedi as Members.

Meeting & Other Details

During the FY 2024-25, no meeting of CSR Committee Meeting was held.

4. General Body Meetings

Forthcoming Annual General Meeting (AGM): Date, Time and Venue

The 4th AGM of the Company is scheduled on **Monday, 8th September, 2025 at 03:00 P.M.** at the **Registered Office, GAIL Bhawan, 16, Bhikaiji Cama Place, R.K. Puram, New Delhi-110066**, through Video Conferencing Mode (VC) / Other Audio-Visual Means (OAVM).



GAIL MANGALORE PETROCHEMICALS LIMITED

(Erstwhile JBF Petrochemicals Limited)

[A Wholly Owned Subsidiary of GAIL (India) Limited]

Location and Time of the last three AGM(s):

The location, time and details of the special resolutions passed during last three AGMs (post Corporate Insolvency Resolution Process (CIRP)) are as follows:

Year	2021-22*	2022-23	2023-24
AGM	1 st	2 nd	3 rd
Date and Time	Friday, 16 th June, 2023 at 12:00 Noon	Friday, 18 th August, 2023 at 12:30 P.M.	Tuesday, 24 th September, 2024 at 2:00 P.M.
Venue	GAIL Bhawan, 16, Bhikaiji Cama Place, New Delhi- 110066 through video conferencing (VC) or Other Audio-Visual Means	GAIL Bhawan, 16, Bhikaiji Cama Place, New Delhi- 110066 through video conferencing (VC) or Other Audio-Visual Means	GAIL Bhawan, 16, Bhikaiji Cama Place, New Delhi- 110066
Special Resolution Passed	No item warranted the Special resolution.	No item warranted the Special resolution.	No item warranted the Special resolution.

*1st AGM of your Company post CIRP for the FY 2020-21 & FY 2021-22 was held in FY 2022-23, by the newly appointed Directors nominated by GAIL pursuant to the Resolution Plan only to the limited extent of discharging the powers of the Board of Directors of the Company for the purpose of meeting Compliances as prescribed in the Companies Act, 2013.

5. Training of Board Members

GAIL has the policy in place for Training of its Directors and employees. As the Board Members are the Nominees of Promoters, hence, they are being imparted training by their parent organisation. Though, no specific training programmes were arranged for the Board members, however, presentations/ information are furnished by senior executives/professionals on business-related issues during the Board/Committee meetings as and when required.



GAIL MANGALORE PETROCHEMICALS LIMITED

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6. Means of Communication

Your Company communicates with its shareholders through its Annual Report and General Meetings. Annual Report containing inter-alia Standalone Audited Financial Statements, Auditors' Report, Board's Report, Management Discussion and Analysis, Corporate Governance Report are circulated to the shareholders and others entitled thereto.

In terms of the Green initiative launched by the Ministry of Corporate Affairs, to allow service of documents to the members through electronic mode, the Company is sending various communications/ documents like Annual Report, Notice of AGM, through e-mail to shareholders.

The Annual Report is available on the website viz. <https://gmplonline.in/>

7. Disclosures

- a. Your Company has prepared disclosures in accordance with Indian Accounting Standards (Ind-AS). For the period up to and including the year ended 31st March 2025, the Company has prepared its Financial Statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. Accordingly, the Company has prepared financial statements which comply with Ind-AS applicable for the period ended 31st March 2025, together with the comparative period data for the FY ended 31st March 2024, as described in the summary of significant accounting policies.

During the year, there have been no material significant related party transactions that may have potential conflict with the interest of the Company at large.

- b. Your Company was exempted from filing Report on Corporate Governance in specified format(s) to MoP&NG/ DPE as the Company was not covered under the PE Survey list during the FY ended 2024-25. However, the Company is pursuing with Department of Public Enterprises (DPE) for inclusion of GMPL in the PE survey list.
- c. Your Company has implemented Whistle Blower (Vigil Mechanism) Policy wherein employees are free to report any improper activity resulting in violations of laws, rules, regulations or code of conduct by any of the employees, to the competent authority. The policy is available at the website of the Company.
- d. During the year under review, no Presidential Directives have been received by your Company.
- e. During the FY 2024-25, there was no instance, where the Board had not accepted the recommendation(s) of any committee of the Board which is mandatorily required.
- f. CEO has given a declaration that the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of your Company for the FY ending on 31st March, 2025.



GAIL MANGALORE PETROCHEMICALS LIMITED

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- g. No item of expenditure has been debited in the books of account, which are not for the purposes of the business or expenses which are personal in nature.
- h. The administrative & office expenses and financial expenses constitute 84.22% and 5.94% respectively of total expenses for 2024-25 as against 93.57% and 2.90% in 2023-24.
- i. During the FY 2024-25, applicable Secretarial Standards as issued by the Institute of Company Secretaries (ICSI) on Meetings of Board of Directors and on General Meetings are duly complied.



8. Shareholding Pattern as on 31st March, 2025

GMPL is wholly owned subsidiary of GAIL (India) Ltd. Your Company has 07 (Seven) shareholders, out of which 06 (Six) shareholders are holding 01(One) share each of face value Rs. 10/- as GAIL nominee.

9. Dematerialization of Shares and Liquidity

As on 31st March, 2025, your Company has 7 shareholders out of which 6 shareholders (GAIL nominee) hold shares in physical form and GAIL holds shares in DEMAT mode.

Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is U24290DL2008GOI423872.



GAIL MANGALORE PETROCHEMICALS LIMITED

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Shareholders may approach to Registrar & Share Transfer Agent (R&TA) of the Company at:

MCS Share Transfer Agent Limited

Unit: GAIL Mangalore Petrochemicals Limited

179-180, DSIDC Shed, 3rd Floor

Okhla Industrial Area,

Phase – I, New Delhi – 110 020

Phone: 011-41406149/50/51

Website: www.mcsregistrars.com

E-mail: admin@mcsregistrars.com

10. Location of Plant

No. 4-214,
Industrial Plot No- 9, Bajpe Village,
Mangalore SEZ Limited, Mangaluru,
Dakshina Kannada District,
Karnataka-574142, India

11. Compliance Certificate

The Certificate from the Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance as stipulated under DPE Guidelines on Corporate Governance for CPSE forms part of Board's Report.

Auditor's Certificate on Corporate Governance



TARUN SAINI & ASSOCIATES

Company Secretaries

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE FOR FINANCIAL YEAR 2024-25

The Members,

GAIL Mangalore Petrochemicals Limited,

CIN-U24290DL2008GOI423872

(Erstwhile JBF Petrochemicals Limited)

[A Wholly Owned Subsidiary of GAIL (India) Limited]

Add: GAIL Bhawan, 16, Bhikaiji Cama Place, R. K. Puram,

New Delhi – 110066.

1. I, have examined the compliance conditions of Corporate Governance of **GAIL Mangalore Petrochemicals Limited (CIN: U24290DL2008GOI423872)**, a wholly owned subsidiary of **GAIL (India) Ltd.**, for the year ended 31st March 2025, as prescribed in the Guidelines on Corporate Governance, 2010 for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises (DPE), Government of India.

2. The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Regulations and Guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Management, the Company generally complied with the conditions of Corporate Governance excepting the following: **“Not in commensurate with DPE Guidelines,**

1. Non-compliance of Clause 3.1.1, 3.1.2 and 3.1.4 of the DPE Guidelines on Corporate Governance with respect to Composition of Board of Directors- Company did not have optimum combination of Functional and Independent Director on the Board of the Company during the period under review.

TARUN SAINI & ASSOCIATES

Company Secretaries

2. Non-compliance of Clause 4.1.1, 4.1.2, 4.4 and 5.1 of the DPE Guidelines on Corporate Governance with regard to composition of Audit Committee, Quorum of the **Audit Committee and constitution of the Remuneration Committee during the period under review.**

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

**For Tarun Saini & Associates,
Company Secretaries,**



Peer Review Cert. No.: 3375/2023

FCS No.: F11067

C.P No.: 11990

UDIN: F011067G000768824

Date:14.07.2025

Place: New Delhi

Secretarial Audit Report



TARUN SAINI & ASSOCIATES

Company Secretaries

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

{Pursuant to Section 204(1) of the Companies Act, 2013 and

Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
GAIL Mangalore Petrochemicals Limited
CIN- U24290DL2008GOI423872
(Erstwhile JBF Petrochemicals Limited)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by “**GAIL Mangalore Petrochemicals Limited**” (hereinafter called **GMPL/Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of GMPL’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;
Not Applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’)- **Not Applicable.**
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 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) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt 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 and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

Compliances/ processes/ systems under other applicable Laws (as applicable to the industry) are being verified on the basis of periodic certificate under internal compliance system submitted to the Board of Directors of the Company:

- 1. The Income Tax Act, 1961 And the Income Tax Rules, 1962
- 2. The Air (Prevention and Control of Pollution) Act, 1974
- 3. The Hazardous Wastes (Management and Handling) Rules, 2008
- 4. The Hazardous Wastes (Management Handling and Transboundary Movement) Rules, 2008
- 5. Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013 and Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Rules, 2013
- 6. Contract Labour (Regulation and Abolition) Act, 1970 & Contract Labour (Regulation and Abolition) Rules, 1971
- 7. Equal Remuneration Act, 1976 And Equal Remuneration Rules, 1976
- 8. Payment of Wages Act, 1936
- 9. Employees Compensation Act, 1923 & Employees Compensation Rules, 1923).
- 10. The Factories Act, 1948
- 11. The Environment Protection Act, 1986
- 12. The Water (Prevention and Control of Pollution) Act, 1974
- 13. The Industrial Disputes Act, 1947 & Industrial Disputes (Central) Rules, 1957
- 14. The Boilers Act, 1923

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

- (a) Secretarial Standards-1 & 2, as amended from time to time, issued by the Institute of Company Secretaries of India and approved by the Government of India.
- (b) Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- **Not Applicable.**
- (c) DPE Guidelines on Corporate Governance for CPSE(s), 2010 (DPE Guidelines).
- (d) Other Related Policies, Guidelines, Circulars, Notifications, Amendments, Rules & Regulations, applicable on the Company as a wholly owned subsidiary of GAIL (India) Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above ***except to the extent stated hereunder: -***

Observation No.-1

Non-compliance of Clause 3.1.1, 3.1.2 and 3.1.4 of the DPE Guidelines on Corporate Governance with respect to Composition of Board of Directors- Company did not have optimum combination of Functional and Independent Director on the Board of the Company during the period under review.

Observation No. 2-

Non-compliance of Clause 4.1.1, 4.1.2, 4.4 and 5.1 of the DPE Guidelines on Corporate Governance with regard to composition of Audit Committee, Quorum of the Audit Committee and constitution of the Remuneration Committee during the period under review.

We further report that the Company has complied with the requirements pertaining to the composition of the Board of Directors, which is to be constituted as per the Companies Act, 2013, DPE Guidelines *except* as stated above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We further report that adequate notice is given to all directors to schedule the Board meeting, agenda and detailed notes on agenda were sent as per statutory timelines and the system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting,

As per the minutes of the Board, the decisions of the Board were unanimous and the views/observations, if any, made by the Directors are duly recorded in the minutes.

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

We further report that during the audit period, no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. has occurred in the Company.

For **Tarun Saini & Associates,**
Company Secretaries,
Peer Review Cert. No.: 3375/2023



FCS No.: 11067
CP No.: 11990

UDIN: F011067G000436602

Date: 26.05.2025

Place: New Delhi

NOTE: This report is to be read with our letter of even date which is annexed as “Annexure A” and forms an integral part of this report.

**To,
The Members,
GAIL Mangalore Petrochemicals Limited
CIN- U24290DL2008GOI423872
(Erstwhile JBF Petrochemicals Limited)**

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

Management’s Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations, and to ensure that the systems are adequate and operate effectively.

Auditor’s Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company’s management is adequate and appropriate for us to provide a basis for our opinion.
4. We have relied on the documents and evidence provided by the Company either physically or in electronic mode.
5. Wherever required, we have obtained the management’s representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.

For Tarun Saini & Associates,
Company Secretaries,
Peer Review Cert. No.: 3375/2023



FCS No.: 11067
CP No.: 11990

UDIN: F011067G000436602

Date: 26.05.2025

Place: New Delhi

Independent Auditors' Report



INDEPENDENT AUDITORS' REPORT

To the members of **GAIL MANGALORE PETROCHEMICALS LIMITED (Formerly JBF PETROCHEMICALS LIMITED)**

Report on the Audit of Ind AS Financial Statements

Auditor's Opinion

We have audited the accompanying Ind AS financial statements of GAIL Mangalore Petrochemicals Limited("the Company"), which comprises the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the Ind AS Financial Statements, including a summary of Material Accounting Policies and other explanatory information (hereinafter referred to as "financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025 and its Profit (including Other Comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matter	How our audit addressed the key audit matter
Refer Note 29- Exceptional Items of the financial statements regarding the review of impairment provisions to PPE, ROU assets and CWIP.	Obtained and evaluated the Valuation Report of Management appointed Expert for the purpose of testing the key assumptions and valuation methodologies used to determine the value in use and fair value amount.

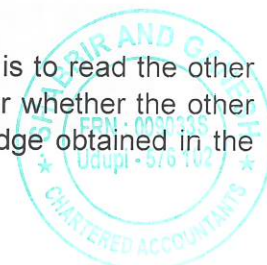
Significant estimate and judgement involved in the recognition of the impairment and its reversal requires a determination of future taxable income based on the Company's expectations for the arrival of value in use based on the discounted cash flow method to be compared with the fair value to arrive at recoverable amount of PPE, ROU assets and CWIP. The reversal of impairment loss made to Property, Plant and Equipment, Right of Use Assets and CWIP amounted to ₹ 3,191.46 Lakhs to the carrying value.	
Refer to the accounting policies in "Note 1A- 13 to the Financial Statements: Material Accounting Policies –Taxes on Income" and "Note 6 to the Financial Statements: Deferred Tax Assets(net)" Significant estimate and judgement involved in the recognition of deferred tax assets require a determination of future taxable income based on the Company's expectations. The assessment of realizability of deferred tax assets is based on a reasonable and supportable evidences and certainty test, depending on the composition of the deferred tax assets. Given the Company's recent financial performance, we identified recognition of deferred tax assets as a key audit matter because of the significant management judgement and assumptions involved in estimating the future taxable income based on the income forecasts approved by the Company's Management.	Our key audit procedures included: • Assessing the design, implementation, and operating effectiveness of management's key internal financial controls over the recognition of deferred tax assets. • Obtaining details of different components of deferred tax assets and details of estimates of taxable incomes for future periods as approved by the Management. • Evaluating the management assessment relating to the amendment in Income Tax Act and its consequential impact on items that qualify for recognition of deferred tax assets. • Evaluating the management assessment for estimating availability of future taxable profits for determination of recognition of deferred tax assets. • Assessing the period over which the deferred tax assets would be recovered against future taxable income. • Evaluating the Company's actual performance vis-à-vis the budgets for the current and past years and discussed with management their basis and assumptions in respect of evidence to support that there will be sufficient taxable income to absorb the deferred tax asset.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we are not expressing any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements

The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors responsible for the matters stated in Section 134(5) the Act with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 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 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

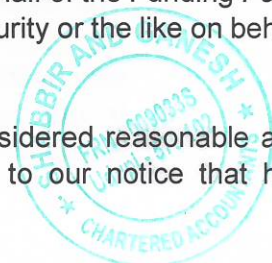
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we have given in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. Based on the verification of Records of the Company and based on the information and explanations given to us, we give in **Annexure B** a report on the Directions and Sub-Directions issued by the Comptroller and Auditor General of India in terms of Sec 143(5) of the Companies Act, 2013.
3. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.



- e. In view of the exemption given vide notification no. G.S.R 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of Directors, are not applicable to the Company.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, we offer no comments as the Company is exempted from the provisions of Section 197 vide notification no. G.S.R. 463(E) dated June 5, 2015.
- 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 financial statements – Refer Notes 31.I.b) to the Financial Statements.
 - ii. The Company has long-term contracts as at March 31, 2025 for which there were no material foreseeable losses. The Company does not have long term derivative contracts as at March 31, 2025.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 46 (k) to the accounts, 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 Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, as disclosed in the Note 46 (k) to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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;
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has



caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of Companies (Audit and Auditors) Rules 2014, as provided under (a) and (b) above, contain any material misstatement.

- v. The company has not declared any dividend during the year.
- vi. As stated in Note 44 of the accompanying financial statement and based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2024 has used an accounting software for maintaining its books of account which has a feature of recording audit trail (Edit Log) facility and the same has been operative throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Place: - Mangalore
Date: - 30.04.2025

For SHABBIR AND GANESH.
Chartered Accountants
Firm Regn. No. 009033S



CA GANESH YERMAL
Partner
Membership No. 207231
UDIN: 25207231BMICIQ4793

Annexure A to the Independent Auditors' Report

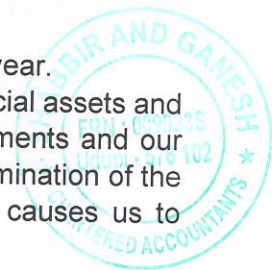
The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the IND AS financial statements of GAIL Mangalore Petrochemicals Ltd (Formerly JBF Petrochemicals Limited) for the year ended 31 March, 2025.

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital work- in progress and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The physical verification of all the Property, Plant and Equipment was conducted by the management during the year, which, in our opinion is reasonable having regard to the size of the Company and nature of its business and discrepancies observed have been appropriately accounted for in the books.
 - (c) Based on our examination of lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date, except that
 - the title deeds of Apartment and Leasehold land stand in the name of erstwhile JBF Petrochemicals Limited.
 - Land at Survey Number 4-214, IP No. 9, MSEZ, Bajpe, Mangalore-574142 measuring 11.17 Acres allotted by MSEZ Ltd., Mangalore on lease held since 27/09/2012. Lease agreement is yet to be executed.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The company does not have any inventory. Accordingly, the provisions of clause 3 (ii) (a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of five crore rupees by banks or financial institutions on the basis of security of the current assets at any point of time during the year. Accordingly, reporting under clause 3 (ii)(b) of the Order is not applicable.
- iii. The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the provisions of clause 3 (iii) (a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company.

- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses of Rs. 3,329.29 lakhs during the financial year covered by our audit and Rs. 1,368.91 lakhs during the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to



believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. Further, the Company does not have any borrowings whose repayment fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. The provisions of Section 135 of the Companies Act, 2013 is not applicable for the reporting period. Hence the question of our reporting under this clause does not arise.
- xxi. As the Company does not have any Subsidiaries, Associates or Joint Ventures, clause 3(xxi) of the Companies (Auditor's Report) Order 2020 is not applicable.

Place: Mangalore
Date: 30.04.2025



For SHABBIR AND GANESH.
Chartered Accountants
Firm Regn. No. 009033S

CA GANESH YERMAL
Partner
Membership No. 207231
UDIN: 25207231BMICIQ4793

Annexure B to the Independent Auditors' Report

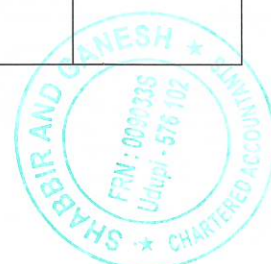
Annexure referred to in paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors report of even date on the IND AS financial statements of GAIL Mangalore Petrochemicals Ltd (Formerly JBF Petrochemicals Limited) for the year ended 31 March, 2025

Directions under Section 143(5) of the Companies Act, 2013 for the year ended 31 March, 2025

We give below our report on the matters referred therein:

A. General Directions

Sl. No.	Directions	Action Taken	Impact on Financial Statement
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company maintains its books of account on IT system, SAP, which is an ERP system. All accounting transactions are processed in accounts maintained on SAP. Based on the audit procedures carried out and as per the information and explanations given to us, no accounting transactions have been processed or carried outside the IT system of the Company. Accordingly, in our opinion, there are no implications on the integrity of the accounts.	Nil
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts / loans /interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of Lender Company).	In accordance with the audit procedures carried out and as per the information and explanations given to us by the Company, there was no restructuring of existing loans or cases of waiver/write off of debts/ loans/interest made by a lender to the Company due to the Company's inability to repay the loan.	Nil
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from central/ state Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	As per information and explanations given to us, the Company has not received any funds (grants/ subsidy etc.) from Central /State Government or its Agencies during the year.	Nil



B. Sub Directions

No Sub Directions were issued for the period under audit.

Place: Mangalore
Date: 30.04.2025

For SHABBIR AND GANESH
Chartered Accountants
Firm Regn. No. 009033S




CA GANESH YERMAL
Partner

Membership No. 207231
UDIN: 25207231BMICIQ4793

Annexure C to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of GAIL Mangalore Petrochemicals Limited (Formerly JBF Petrochemicals Limited) on the audit of Ind AS financial statements for the year ended 31st March 2025

Report on the Internal Financial Controls Over Financial Reporting under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of GAIL Mangalore Petrochemicals Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls 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 issued by the Institute of Chartered Accountants of India (The "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI'), prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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 issued by the ICAI.

For SHABBIR AND GANESH
Chartered Accountants
Firm Regn. No. 009033S

Place: Mangalore
Date: 30.04.2025



CA GANESH YERMAL
Partner
Membership No. 207231
UDIN: 25207231BMICIQ4793

Audited Financial Statements



GAIL MANGALORE PETROCHEMICALS LIMITED
(Formerly known as JBF Petrochemicals Limited)
CIN : U24290DL2008PLC423872
Balance Sheet as at 31st March, 2025

(Rs. In Lakhs)

	Particulars	Note No.	As at 31st March, 2025	As at 31st March, 2024
	ASSETS			
(1)	Non-current Assets			
(a)	Property, Plant and Equipment	2	599.15	487.03
(b)	Capital Work in Progress	3	5,10,404.17	4,50,712.86
(c)	Intangible Assets	4	24.18	-
(d)	Right of Use Assets	2A	11,881.25	11,154.94
(e)	Financial assets	5	115.12	101.99
(f)	Deferred Tax Assets (Net)	6	52,787.95	51,724.91
(g)	Non-Current Tax Assets (Net)	7	49.84	15.35
(h)	Other Non-current Assets	8	515.52	-
	Sub Total (1)		5,76,377.18	5,14,197.08
(2)	Current Assets			
(a)	Inventories	9	-	-
(b)	Financial Assets			
(i)	Cash and Cash Equivalents	10	1,436.49	3,357.59
(ii)	Bank balances other than Cash and Cash equivalents	10A	1,964.91	2,469.97
(iii)	Other financial assets	11	144.19	107.09
(c)	Other Current Assets	12	1,071.89	1,023.97
	Sub Total (2)		4,617.48	6,958.62
	TOTAL ASSETS (1+2)		5,80,994.66	5,21,155.70
	EQUITY AND LIABILITIES			
(1)	Equity			
(a)	Equity Share capital	13	1,09,000.00	71,300.00
(b)	Other equity	14	2,85,890.18	2,85,751.11
	Sub Total (1)		3,94,890.18	3,57,051.11
	Liabilities			
(2)	Non-Current Liabilities			
(a)	Financial liabilities			
(i)	Borrowings	15	1,47,600.00	1,47,600.00
(ii)	Lease Liabilities	16	1,402.16	1,104.96
(iii)	Other Financial Liabilities	17	25,407.19	10,714.03
(b)	Provisions	18	10.84	-
	Sub Total (2)		1,74,420.19	1,59,418.99
(3)	Current Liabilities			
(a)	Financial liabilities			
(i)	Lease Liabilities	19	65.83	3.71
(ii)	Trade Payables			
(A)	Total outstanding dues of Small Enterprises and Micro Enterprises	20	37.99	384.78
(B)	Total outstanding dues of creditors other than Small Enterprises and Micro Enterprises	20	80.94	309.17
(iii)	Other Financial Liabilities	21	10,845.41	3,781.33
(b)	Other Current Liabilities	22	654.10	206.61
	Sub Total (3)		11,684.28	4,685.60
	TOTAL EQUITY AND LIABILITIES (1+2+3)		5,80,994.66	5,21,155.70

The material accounting policies and accompanying notes form an integral part of Financial Statements.

1 to 47

As per our report of even date attached

For **M/s Shabbir and Ganesh**

Chartered Accountants

Firm Regn. No.:009033S

CA. GANESH Y

Partner

Membership No.:207231

UDIN: 25207231BMIC104793

Place: Mangalore

Date: 30/04/2025



For and on behalf of the Board of Directors of

GAIL Mangalore Petrochemicals Limited

M K Biswas

Director

DIN: 10394523

A K Dhal

Chief Finance Officer

S K Sinha

Director

DIN : 10528036

A K Naskar

Chief Executive Officer



Devika Srivastava

Devika Srivastava

Company Secretary

Membership No. A54686

Place: **NEW DELHI**

Date: **30.04.2025**

GAIL MANGALORE PETROCHEMICALS LIMITED
(Formerly known as JBF Petrochemicals Limited)
CIN : U24290DL2008PLC423872

Statement of Profit and Loss for the Financial year ended 31st March 2025

		(Rs. In Lakhs)		
	Particulars	Note No.	Financial Year ended 31-Mar-25	Financial Year ended 31-Mar-24
I.	Revenue from Operations	23	-	-
II.	Other Income	24	321.10	214.14
III.	Total Income (I+II)		321.10	214.14
IV.	Expenses:			
	Employee Benefits Expense	25	252.46	25.41
	Finance Costs	26	223.78	46.81
	Depreciation and Amortisation Expense	27	118.46	31.56
	Other Expenses	28	3,174.14	1,510.83
	Total Expenses (IV)		3,768.85	1,614.60
V	Profit / (Loss) Before Exceptional Items & Tax (III- IV)		(3,447.75)	(1,400.47)
VI	Exceptional Items	29	(2,523.78)	(26,992.42)
VII	Profit / (Loss) Before Tax (V - VI)		(923.96)	25,591.96
VIII	Tax Expenses			
	(1) Current Tax		-	-
	(2) Deferred Tax	6	1,063.05	6,338.18
IX	Profit / (Loss) After Tax (VII -VIII)		139.08	31,930.13
X	Other Comprehensive Income (OCI)			
	(i) Items that will not be subsequently reclassified to profit or loss		-	-
	(ii) Items that will reclassified to profit or loss		-	-
	Total Other Comprehensive Income		-	-
XI	Total Comprehensive Income/(Loss) for the Year (IX + X)		139.08	31,930.13
XII	Earnings per Equity Share (Face value of Rs. 10 each)	30		
	Basic		0.02	4.39
	Diluted		0.02	4.39

The material accounting policies and accompanying notes form an integral part of Financial Statements.

1 to 47

As per our report of even date attached

For **M/s Shabbir and Ganesh**

Chartered Accountants

Firm Regn. No.:0090335

CA. GANESH Y

Partner

Membership No.:207231

UDIN: 25202231 BM1404293

Place: Mangalore

Date: 30/04/2025



For and on behalf of the Board of Directors of

GAIL Mangalore Petrochemicals Limited

M K Biswas

Director

DIN: 10394523

A K Dhal

Chief Finance Officer

S K Sinha

Director

DIN : 10528036

A K Naskar

Chief Executive Officer



Devika Srivastava

Company Secretary

Membership No. A54686

Place: **NEW DELHI**

Date: **30.04.2025**

GAIL MANGALORE PETROCHEMICALS LIMITED (Formerly JBF Petrochemicals Ltd)
Statement of Changes in Equity for the financial year ended 31st March, 2025

A) Equity Share Capital

(Rs. In Lakhs)

(1) For the financial year ended 31st March 2025

As at 1st April 2024	Issued fresh Equity Capital	As at 31st March 2025
71,300.00	37,700.00	1,09,000.00

(2) For the financial year ended 31st March 2024

As at 1st April 2023	Extinguishment of Opening Share Capital and transferred to Capital Reserve	Issued fresh Equity Capital	As at 31st March 2024
1,08,664.17	(1,08,664.17)	71,300.00	71,300.00

B) Other Equity

(1) For the Financial Year Ended 31st March, 2025

Particulars	Reserves & Surplus			Total
	Securities Premium Reserve	Retained earnings	Capital Reserve	
Opening balance as at 1st April 2024	-	(2,72,441.57)	5,58,192.67	2,85,751.11
Profit / (Loss) for the year	-	139.08		139.08
Closing balance as at 31st March, 2025	-	(2,72,302.48)	5,58,192.67	2,85,890.19

(2) For the Financial Year Ended 31st March, 2024

Particulars	Reserves & Surplus			Total
	Securities Premium Reserve	Retained earnings	Capital Reserve	
Opening balance as at 1st April 2023	4,715.24	(3,04,371.69)	4,44,813.26	1,45,156.81
Profit / (Loss) for the year	-	31,930.13		31,930.13
Transferred to Capital reserve	(4,715.24)			(4,715.24)
Transferred from share capital			1,08,664.17	1,08,664.17
Transferred from Security Premium reserve			4,715.24	4,715.24
Closing balance as at 31st March, 2024	(0.00)	(2,72,441.56)	5,58,192.67	2,85,751.11

The material accounting policies and accompanying notes form an integral part of Financial Statements.

1 to 47

As per our report of even date attached

For M/s Shabbir and Ganesh

Chartered Accountants
Firm Regn. No.:0090335

CA. GANESH Y

Partner

Membership No.:207231

UDIN: 25207231BMC194793

Place: Mangalore

Date: 30/04/2025

For and on behalf of the Board of Directors of

GAIL Mangalore Petrochemicals Limited

M K Biswas

Director

DIN: 10394523

A K Dhal

Chief Finance Officer

Devika Srivastava

Devika Srivastava

Company Secretary

Membership No. A54686

S K Sinha

Director

DIN : 10528036

A K Naskar

Chief Executive Officer



Place: NEW DELHI

Date: 30.04.2025

GAIL MANGALORE PETROCHEMICALS LIMITED
(Formerly known as JBF Petrochemicals Limited)

CIN : U24290DL2008PLC423872

Statement of Cash flows for the financial year ended 31st March, 2025

(Rs. In Lakhs)

Particulars	For the Financial Year Ended	
	31-Mar-25	31-Mar-24
A Cash Flows from Operating Activities		
1. Profit/(loss) Before Tax	(923.96)	25,591.96
2. Adjustments for:		
Depreciation / amortisation	118.46	31.56
Deferred Tax	-	-
Unrealised exchange (Gain)/ Loss	(0.04)	-
Provision for employee benefits	10.84	-
Loss on sale / write off of assets (net)	667.67	374.96
Impairment Provision	(3,191.46)	(27,367.38)
Non cash item	-	-
Finance Cost	223.78	46.81
Interest Income	(320.11)	(151.12)
Subtotal (2)	(2,490.85)	(27,065.17)
3 Operating profit/(Loss) before working capital changes (1+2)	(3,414.81)	(1,473.21)
4 Changes in Working Capital (Excluding Cash and Cash Equivalents):		
Inventories	-	-
Other non - current and current assets	398.21	(3,371.53)
Liabilities and Provisions	(65.37)	(3,329.40)
Changes in Working Capital (Excluding Cash and Cash Equivalents)	332.83	(6,700.93)
5 Cash (used in) / generated from operations (3+4)	(3,081.98)	(8,174.14)
Net cash (used in) / generated from operating activities	(3,081.98)	(8,174.14)
B Cash flows from Investing Activities		
Purchase of Fixed Assets	(203.19)	(112.63)
Purchase of Intangible Assets	(27.92)	-
Payment including advances for acquiring right-of-use assets	(3,555.54)	-
Addition to CWIP	(32,335.93)	(5,198.03)
Capital Advances Paid	(515.52)	-
Interest received	294.33	61.35
Net cash (used in) / generated investing activities	(36,343.76)	(5,249.31)
C Cash flows from Financing Activities		
Borrowings during the period	-	1,47,600.00
Issue of Equity Shares	37,700.00	71,300.00
Repayment of Borrowings	-	(2,02,119.92)
Lease Liabilities Paid	(195.36)	-
Net cash (used in) / generated from financing activities	37,504.64	16,780.08
Net (Decrease)/Increase in Cash and Cash equivalents (A+B+C)	(1,921.10)	3,356.62
Cash and Cash equivalents at the beginning of the year	3,357.59	0.96
Cash and Cash equivalents at the end of the year	1,436.49	3,357.59

Notes :

- 1 Bracket indicates cash outflow.
- 2 Previous Year's figures have been regrouped and rearranged, wherever necessary to make them comparable.
- 3 The above statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flow.
- 4 Refer Note 10 for Cash and Cash Equivalents

As per our report of even date attached

For **M/s Shabbir and Ganesh**

Chartered Accountants
Firm Regn. No.:0090335

CA. GANESH Y

Partner

Membership No.:207231

UDIN: 25207031BM1C104793

Place: Mangalore

Date: 30/04/2025



For and on behalf of the Board of Directors of

GAIL Mangalore Petrochemicals Limited

M K Biswas

Director

DIN: 10394523

A K Dhal

Chief Finance Officer

S K Sinha

Director

DIN: 10528036

A K Naskar

Chief Executive Officer

Devika Srivastava

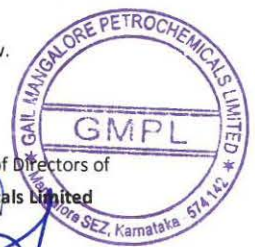
Devika Srivastava

Company Secretary

Membership No. A54686

Place: **NEW DELHI**

Date: **30.04.2025**



Note 2: Property, Plant and Equipment for the year ended 31st March, 2025

(Rs. In Lakhs)													
Particulars	Gross Block					Accumulated Depreciation				Impairment Loss			Net Block
	As at 1st April 2024	Additions during the year	Acquisition from AUC/Transfers	Sales/ Write off during the year	As at 31st March, 2025	As at 1st April 2024	For the year	Disposals/ Adjustments during the year	As at 31st March, 2025	As at 1st April 2024	For the year	As at 31st March, 2025	As at 31st March, 2025
Building : Office/Others	459.64		110.68		570.32	54.36	61.00	89.40	204.77	72.02	(29.86)	42.16	323.40
Plant and Machinery	44.11	8.65			52.76	0.82	1.81		2.63	-	7.91	7.91	42.22
Electrical Equipments	186.97	73.00	(38.75)	(7.45)	213.78	145.28	10.99	(36.06)	120.21	-	0.85	0.85	92.72
Furniture & Fixtures	136.40	44.33	(47.92)	(0.60)	132.22	85.92	10.51	(37.76)	58.67	12.79	(2.63)	10.15	63.40
Office Equipments	63.40	72.25		(0.18)	135.47	44.31	26.86	(0.16)	71.01	-			64.45
Other Equipments	72.16	4.95	(24.02)	(0.42)	52.68	64.09	1.71	(23.22)	42.58	-			10.10
Transport Equipments	39.11			(0.32)	38.79	34.38	1.85	(0.30)	35.92	0.79	(0.79)	-	2.87
Total	1,001.80	203.19	-	(8.97)	1,196.01	429.16	114.72	(8.09)	535.79	85.60	(24.53)	61.07	599.15

Note 2: Property, Plant and Equipment for the year ended 31st March, 2024

Particulars	Gross Block					Accumulated Depreciation				Impairment Loss			Net Block
	As at 1st April 2023	Additions during the year	Acquisition from AUC/Transfers	Sales/ Write off during the year	As at 31st March, 2024	As at 1st April 2023	For the year	Disposals/ Adjustments during the year	As at 31st March, 2024	As at 1st April 2023	For the year	As at 31st March, 2024	As at 31st March, 2024
Building : Office/Others	459.64	-	-	-	459.64	47.14	7.23		54.36	72.02	-	72.02	333.25
Plant and Machinery	-	44.11	-	-	44.11	-	0.82	-	0.82	-	-	-	43.29
Electrical Equipments	176.68	17.65	-	(7.36)	186.97	145.50	6.62	(6.84)	145.28	4.35	(4.35)	-	41.69
Furniture & Fixtures	153.04	28.23	-	(44.86)	136.40	116.90	9.46	(40.45)	85.92	10.50	2.29	12.79	37.70
Office Equipments	214.18	16.48	-	(167.26)	63.40	201.37	2.27	(159.32)	44.31	-	-	-	19.09
Other Equipments	159.60	4.97	-	(92.41)	72.16	151.43	0.45	(87.79)	64.09	-	-	-	8.07
Transport Equipments	37.92	1.19	-	-	39.11	29.67	4.71	-	34.38	0.42	0.37	0.79	3.94
Total	1,201.06	112.63	-	(311.90)	1,001.80	692.01	31.56	(294.40)	429.16	87.29	(1.69)	85.60	487.03

Note : 2A - Right of Use Assets for the Year ended 31st March, 2025

(Rs. In Lakhs)													
Particulars	Gross Block					Accumulated Depreciation				Impairment Loss			Net Block
	As at 1st April 2024	Additions during the year	Acquisition from AUC/Transfers	Sales/ Write off during the year	As at 31st March, 2025	As at 1st April 2024	For the year	Disposals/ Adjustments during the year	As at 31st March, 2025	As at 1st April 2024	For the year	As at 31st March, 2025	As at 31st March, 2025
Land : Leasehold	14,904.90	3,998.41	424.80	-	19,328.11	3,749.96	292.12	(63.25)	3,978.83	-	3,468.03	3,468.03	11,881.25
Total	14,904.90	3,998.41	424.80	-	19,328.11	3,749.96	292.12	(63.25)	3,978.83	-	3,468.03	3,468.03	11,881.25

Note : 2A - Right of Use Assets for the Year ended 31st March, 2024

Particulars	Gross Block					Accumulated Depreciation				Impairment Loss			Net Block
	As at 1st April 2023	Additions during the year	Acquisition from AUC/Transfers	Sales/ Write off during the year	As at 31st March, 2024	As at 1st April 2023	For the year	Disposals/ Adjustments during the year	As at 31st March, 2024	As at 1st April 2023	For the year	As at 31st March, 2024	As at 31st March, 2024
Land : Leasehold	14,801.51	103.39	-	-	14,904.90	3,450.19	299.77		3,749.96	-	-	-	11,154.94
Total	14,801.51	103.39	-	-	14,904.90	3,450.19	299.77	-	3,749.96	-	-	-	11,154.94

Note : 3 - Capital Work in Progress for the year ended 31st March, 2025

(Rs. In Lakhs)

Particulars	Gross Block					Provision and Impairment Loss			Net Block
	As at 1st April 2024	Additions/ Adjustments during the year	Capitalization during the year	Retirement/ Transfer	As at 31st March, 2025	As at 1st April 2024	For the year	As at 31st March, 2025	As at 31st March, 2025
A. Tangible									
Petrochemical Project	4,43,207.85	40,831.25	(424.80)	79,156.51	5,62,770.81	1,52,882.08	(25,729.20)	1,27,152.88	4,35,617.93
Buildings	75,329.86	1,114.69	-	-	76,444.55	-	1,822.30	1,822.30	74,622.24
Others	4,260.69	3,804.71	-	-	8,065.40	-	17,271.94	17,271.94	(9,206.54)
Capital Items in Stock/Transit	973.23	14,290.15	-	(5,892.84)	9,370.54	-	-	-	9,370.54
B. Intangible	79,823.31	-	-	(79,823.31)	-	-	-	-	-
Total	6,03,594.94	60,040.79	(424.80)	(6,559.64)	6,56,651.29	1,52,882.08	(6,634.96)	1,46,247.12	5,10,404.17

Note : 3 - Capital Work in Progress for the year ended 31st March, 2024

Particulars	Gross Block					Provision and Impairment Loss			Net Block
	As at 1st April 2023	Additions/ Adjustments during the year	Capitalization during the year	Retirement/ Transfer	As at 31st March, 2024	As at 1st April 2023	For the year	As at 31st March, 2024	As at 31st March, 2024
A. Tangible									
Petrochemical Project	4,40,158.49	3,049.36	-	-	4,43,207.85	1,80,247.77	(27,365.69)	1,52,882.08	2,90,325.77
Buildings	67,986.96	7,342.89	-	-	75,329.86	-	-	-	75,329.86
Others	-	4,260.69	-	-	4,260.69	-	-	-	4,260.69
Capital Items in Stock/Transit	-	973.23	-	-	973.23	-	-	-	973.23
B. Intangible	79,653.67	169.64	-	-	79,823.31	-	-	-	79,823.31
Total	5,87,799.12	15,795.81	-	-	6,03,594.94	1,80,247.77	(27,365.69)	1,52,882.08	4,50,712.86

CWIP Ageing schedule as on 31.03.2025

(Rs in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	53,056.35	15,795.81	-	5,87,799.12	6,56,651.29
Projects temporarily suspended	-	-	-	-	-

* New management has taken over the control of the plant and the revival activities has been started from June 2023. Subsequently, the management has extended the project timeline, with completion expected by February 2026.

CWIP Ageing schedule as on 31.03.2024

(Rs in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	15,626.17	-	-	5,08,145.45	5,23,771.63
Projects temporarily suspended	-	-	-	-	-

* New management has taken over the control of the plant and the revival activities has been started from June 2023. None of the projects under work in progress are overdue in respect of budgeted time and cost and hence overdue CWIP schedule not applicable.

CWIP completion schedule for Cost Overrun Projects as on 31st March 2025 - Nil

CWIP completion schedule for Time Overrun Projects as on 31st March 2025

(Rs in lakhs)

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
GMPL PTA Project*	6,56,651.29	-	-	-	6,56,651.29

* The commissioning period of the GMPL PTA Project has been extended from June 2025 to February 2026.



Intangible Assets under development Ageing schedule as on 31.03.2025					(Rs in lakhs)
Intangible Assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Intangible Assets under development Ageing schedule as on 31.03.2024					(Rs in lakhs)
Intangible Assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	169.64	-	-	79,653.67	79,823.31
Projects temporarily suspended	-	-	-	-	-

Note : 4 - Intangible Assets for the year ended 31st March, 2025

						(Rs. In Lakhs)				
Particulars	Gross Block					Accumulated Depreciation			Net Block	
	As at 1st April 2024	Additions during the year	Acquisition from AUC	Sales/ Write off during the year	As at 31st March, 2025	As at 1st April 2024	For the year	Disposals/ Adjustments during the year	As at 31st March, 2025	As at 31st March, 2025
Softwares / Licences	-	27.92	-	-	27.92	-	3.74	-	3.74	24.18
Total	-	27.92	-	-	27.92	-	3.74	-	3.74	24.18

Note : 4 - Intangible Assets for the year ended 31st March, 2024

Particulars	Gross Block					Accumulated Depreciation			Net Block	
	As at 1st April 2023	Additions during the year	Acquisition from AUC	Sales/ Write off during the year	As at 31st March, 2024	As at 1st April 2023	For the year	Disposals/ Adjustments during the year	As at 31st March, 2024	As at 31st March, 2024
Softwares / Licences	22.82	-	-	22.82	-	22.82	-	22.82	-	-
Total	22.82	-	-	22.82	-	22.82	-	22.82	-	-

Notes:-

- 1) Land is leased out to the Company for 49 years, ending in 2060.
- 2) The additions to Right of Use asset pertains to capitalisation of Right of Way charges paid by GMPL for using the Licensed Effective space in MSEZ's External pipeline corridor for 16 years till 2041 and Internal pipeline corridor for 35 years till 2060
- 3) The company is incurring expenditure for the ongoing project of Purified Terephthalic Acid (PTA), in Special Economic Zone, Mangalore. All the expenses incurred which are directly attributable to the project are accumulated under the head "capital-work-in progress". The expenses capitalised till the completion of the project will be appropriately apportioned to the project and ultimately to respective fixed assets, on its commercial operations, on a reasonable and fair basis as per Ind AS-16 i.e. "Property, Plant and Equipments".



				(Rs. in Lakhs)	
Particulars				31-Mar-25	31-Mar-24
Note 5: Financial assets - Non Current					
Security Deposit				115.12	101.99
Less: Provision for doubtful deposits				-	-
Total				115.12	101.99
Note 6: Deferred Tax Assets (Net)					
Deferred Tax Assets				52,787.95	51,724.91
FY 2024-25:					
Particulars	Opening Balance	Recognised in P&L	Closing Balance		
Impairment Loss	38,498.91	(803.23)	37,695.68		
Depreciation	24.69	22.72	47.40		
Carry forward Losses	13,201.31	1,843.56	15,044.87		
Total	51,724.91	1,063.05	52,787.95		
FY 2023-24:					
Particulars	Opening Balance	Recognised in P&L	Closing Balance		
Impairment Loss	45,386.73	(6,887.82)	38,498.91		
Depreciation	-	24.69	24.69		
Carry forward Losses	-	13,201.31	13,201.31		
Total	45,386.73	6,338.18	51,724.91		
As at 31st March 2025, the company has assessed recognition of deferred tax assets by assessing availability of sufficient future taxable profits, based on financial projections which have been approved by the management to absorb the deferred tax assets.				52,787.95	51,724.91
Note 7: Non-Current Tax Assets (Net)					
TDS and TCS Receivable				49.84	15.35
Total				49.84	15.35
Note 8: Other Non-current Assets					
Unsecured					
Capital advances*				1,253.37	737.85
Less: Provision for doubtful capital advances				(737.85)	(737.85)
Total				515.52	-
*The realisable value as per the Management estimates, Capital advances amounting to Rs.737.85 Lakhs is fully impaired.					
Note 9: Inventories					
Colours and Chemicals				-	-
Less: Provision for obsolescence				-	-
Total				-	-
Note 10: Cash and Cash Equivalents					
Balance with Banks:					
- In Current Accounts				67.73	42.60
- In CLTD Account (Flexi Fixed Deposit)				1,367.76	3,314.89
Imprest Advance				1.00	0.10
Total				1,436.49	3,357.59
Note 10A: Bank Balances Other than Cash and Cash equivalents					
Earmarked Accounts:					
Short Term deposits with RBL Bank-Litigation Corpus				1,964.91	2,469.97
Total				1,964.91	2,469.97
Note 11: Other Financial Assets - Current					
Unsecured					
Interest Accrued				25.77	74.42
Security Deposits				117.90	32.18
Advance to Staff				0.52	0.50
Total				144.19	107.09
Note 12: Other Current Assets					
Advances to Suppliers/contractors:					
Considered Good - Unsecured				-	32.74
Considered Doubtful - Unsecured				-	-
Prepaid Expenses				992.46	991.24
Balance with Government Authorities				79.43	-
Total				1,071.89	1,023.97

			(Rs. in Lakhs)	
Particulars			31-Mar-25	31-Mar-24
Note 13: Equity Share Capital				
Authorised				
1,25,00,00,000 Equity shares of Rs. 10/- each (previous year 1,25,00,00,000 Equity shares of Rs. 10/- each)			1,25,000.00	1,25,000.00
			1,25,000.00	1,25,000.00
Issued, Subscribed and fully paid-up				
109,00,00,000 Equity shares of Rs.10/- each			1,09,000.00	71,300.00
(Previous year 71,30,00,000 Equity shares of Rs.10/- each) fully paid up				
Total			1,09,000.00	71,300.00

13.1: Terms/rights attached to Equity shares:

The holders of equity shares of Rs.10 each are entitled to one vote per share. The equity shareholders are entitled to dividend only if dividend in a particular financial year is recommended by the Board of Directors and approved by the members at the annual general meeting of the year. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive, out of the remaining assets of the Company, after distribution of preferential amounts (if any), an amount proportionate to the number of equity shares held by them.

13.2: Reconciliation of number of shares and amount outstanding at the beginning and end of the year

Particulars	31-Mar-25		31-Mar-24	
	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs
Shares outstanding at the beginning of the year	71,30,00,000	71,300.00	1,08,66,41,691	1,08,664.17
Shares issued during the year	37,70,00,000	-	71,30,00,000	-
Shares cancelled during the year	-	-	1,08,66,41,691	1,08,664.17
Shares outstanding at the end of the year	1,09,00,00,000	1,09,000.00	71,30,00,000	71,300.00

13.3 Details of Shares held by holding company

Name of Shareholder	As at 31st March 2025		As at 31st March 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
GAIL (India) Limited	1,09,00,00,000	100%	71,30,00,000	100%
Total	1,09,00,00,000	100%	71,30,00,000	100%

13.4 Details of Shareholding of Promoters
Shares held by promoters at the end of 31st March 2025

Promoter Name	No. of shares held at the end of the year	% of total shares	% Change during the year
GAIL (India) Limited	1,09,00,00,000	100%	53%

Shares held by promoters at the end of 31st March 2024

Promoter Name	No. of shares held at the end of the year	% of total shares	% Change during the year
GAIL (India) Limited	71,30,00,000	100%	100%

13.5: Shareholders holding more than 5 percent shares in the Company

Name of Shareholder	31-Mar-25		31-Mar-24	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
GAIL (India) Limited	1,09,00,00,000	100%	71,30,00,000	100%
Total	1,09,00,00,000	100%	71,30,00,000	100%

(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Note 14: Other Equity		
Securities Premium Reserve		
As per last Balance Sheet	-	4,715.24
Less: Transfer to Capital Reserve	-	(4,715.24)
Retained Earnings		
As per last Balance Sheet	(2,72,441.57)	(3,04,371.69)
Less: Profit / (Loss) for the year	139.08	31,930.12
	(2,72,302.48)	(2,72,441.57)
Capital Reserve		
As per last Balance Sheet	5,58,192.67	4,44,813.26
Share capital cancelled as per NCLT order	-	1,08,664.17
Securities Premium Reserve cancelled as per NCLT order	-	4,715.24
Increase/(Decrease) during the year	-	-
Closing balance	5,58,192.67	5,58,192.67
Total	2,85,890.18	2,85,751.10
Nature and Purpose of reserves		
A Retained Earnings		
The Retained Earnings represents accumulated earnings of the Company. Retained Earnings is a free reserve of the Company and is used for the purposes like issuing bonus shares, buy back of shares and other purposes (like declaring Dividend etc.) as per the approval of Board of Directors. It includes the re measurement gain/(loss) on defined benefit plans which will not be re-classified to statement of profit and loss in subsequent periods.		
B Security premium Reserve		
Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of Companies Act, 2013. Security premium has been transferred to capital reserve after NCLT order		
C Capital Reserve		
It is a reserve of a corporate enterprise which is not available for distribution as dividend. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013. Share capital and security premium reserve of JBF petrochemical Ltd transferred to Capital reserve during the previous year.		



(Rs. in Lakhs)		
Particulars	31-Mar-25	31-Mar-24
Note 15: Borrowings		
Intercompany Loan		
GAIL (India) Limited	1,47,600.00	1,47,600.00
(Repayment to start from the end of the quarter, after 24 months post scheduled commissioning date (SCOD) of the plant i.e. first payment shall be due on 30.06.2027). Interest rate is RBI Repo Rate + 1.30% p.a. (Secured by a first ranking pari passu charge/mortgage on the assets(moveable and immovable, tangible and intangible) both present and future, on the entire cash flows, current assets, receivables, book debts, goodwill and revenues of whatsoever nature and wherever arising, both present and future, on all the rights, titles, interests, benefits, claims and demand, both present and future, and all bank accounts of the company.)		
Total	1,47,600.00	1,47,600.00
Note 16: Lease Liabilities		
Lease Liabilities	1,402.16	1,104.96
Total	1,402.16	1,104.96
Note 17: Other Financial Liabilities - Non-Current		
Interest accrued but not due - ICL	20,172.39	8,890.41
(Accrued interest till 30.09.2025 shall be payable in 36 monthly instalments starting 12 months after SCOD)		
Deposits/Retention Money from suppliers/contractors/others	-	8.38
Other liabilities*	5,234.80	1,815.24
Total	25,407.19	10,714.03
*Other liabilities include employee cost, tendering cost and other support services raised by GAIL to GMPL. This liability shall be paid after June 2027.		
Note 18: Provisions		
Provision for employee benefits	10.84	-
Total	10.84	-

(Rs. in Lakhs)		
Particulars	31-Mar-25	31-Mar-24
Note 19: Current Lease Liabilities		
Lease liabilities	65.83	3.71
Total	65.83	3.71
Note 20: Trade Payables		
Unsecured		
Trade Payables to Micro and Small Enterprises	37.99	384.78
Trade Payables to related parties	-	-
Trade Payables to creditors other than Micro enterprises and Small enterprises	80.94	309.17
Total	118.94	693.95

Current Trade Payables Ageing Schedule as on 31st March, 2025:

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
MSME	37.38	0.61				37.9
Others	76.54	4.40				80.9
Disputed Dues MSME	-	-				-
Disputed Dues Others	-	-				-
Total						118.9

Current Trade Payables Ageing Schedule as on 31st March, 2024:

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
MSME	270.24	114.54				384.7
Others	65.31	243.86				309.1
Disputed Dues MSME	-	-				-
Disputed Dues Others	-	-				-
Total						693.9

(Rs. in Lakhs)		
Particulars	31-Mar-25	31-Mar-24
Note 21: Other Financial Liabilities - Current		
Funding for CIRP cost*	2,025.36	2,479.11
Creditors for Capital Goods / Services	7,873.66	1,095.49
Salary Wages and Allowance	26.31	0.94
Deposit,Retention Money from suppliers/contractors/others	785.93	161.42
Others	134.15	44.38
Total	10,845.41	3,781.33

*Rs. 25 Cr has been kept as litigation corpus out of the total resolution plan amount (Refer Note 43)

(Rs. in Lakhs)		
Particulars	31-Mar-25	31-Mar-24
Note 22: Other Current Liabilities		
Statutory Dues, Provisions and Other Liabilities	654.10	206.61
Total	654.10	206.61



(Rs in Lakhs)

Particulars	Financial Year ended 31-Mar-25	Financial year ended 31-Mar-24
Note 23: Revenue from Operations		
Sale of Products	-	-
Other Operating Revenue	-	-
Total	-	-
Note 24: Other Income		
Interest Income		
- Bank fixed deposits	318.67	151.12
- Others	1.44	9.05
Excess provision written back	-	53.89
Interest on Income Tax Refund	-	0.02
Other Miscellaneous income	48.50	0.06
Total	368.61	214.14
Less: Transferred to Capital Work in Progress	(47.51)	-
Total	321.10	214.14
Note 25: Employee Benefit Expenses		
Salaries and Wages*	177.52	5.37
Contribution to Provident and Other Funds	12.21	-
Staff Welfare Expenses	184.23	20.04
Total Employee benefit expenses	373.97	25.41
Less: Salaries, wages and welfare expenses transferred to Capital work in progress	(121.50)	-
Total	252.46	25.41
*Refer Note 35		
Note 26: Finance Costs		
Interest on lease liabilities	111.80	93.17
Interest on Loan	12,535.54	9,878.23
Other interest	223.78	31.57
Total Finance cost	12,871.13	10,002.97
Less: Finance costs transferred to Capital work in progress	(12,647.34)	(9,956.17)
Total	223.78	46.81
Note 27: Depreciation and Amortisation Expense		
Depreciation of Property, Plant and Equipment	406.84	331.33
Amortization of Intangible Assets	3.74	-
Total Depreciation and Amortisation expenses	410.58	331.33
Less: Depreciation transferred to Capital Work in Progress	(292.12)	(299.77)
Total	118.46	31.56
Note 28: Other Expenses		
Legal & Professional Fees	29.22	53.05
Security Charges	329.82	184.52
Other Miscellaneous expenses	38.85	22.54
Power and Fuel	350.05	49.31
Repair & Maintenance	590.89	343.25
Communication expenses	10.52	0.29
Printing & Stationary	10.43	3.36
Rates and taxes including stamp duty	12.73	8.90
Insurance Charges	1,453.17	659.94
Rent and Hire Charges	85.61	55.65
Water Charges	39.51	33.82
Manpower Cost – Deputation employees*	2,377.95	1,278.08
Other support services by Parent Company	902.86	452.02
Payment to Auditors		
Audit Fees	6.30	6.00
Limited Review Fees	1.55	1.00
Other Expenses including the provision made	249.39	135.39
Total Expenses	6,488.86	3,287.13
Less: Other Expenses transferred to Capital Work in Progress	(3,314.73)	(1,776.30)
Total	3,174.14	1,510.83

*The expenditure incurred towards manpower cost by GAIL for employees posted on deputation in the Company are accounted for on the basis of debit note raised by GAIL for which underlying documents are held by the parent company

Note 28A: Expenditure during construction period

Particulars	Financial Year ended 31-Mar-25	Financial year ended 31-Mar-24
Salaries, Wages and Allowances	121.50	-
Power Fuel & Water Charges	361.42	82.48
Rent	-	11.29
Repair & Maintenance - Plant & Machinery	306.07	62.54
Repair & Maintenance - Building	2.23	4.39
Repair & Maintenance - Others	36.51	199.87
Consultancy Charges	2.50	11.20
Other Expenses	2,606.00	1,404.53
Depreciation	292.12	299.77
Interest & Finance Charges	12,647.34	9,956.17
Miscellaneous income	(47.51)	-
Total Expenditure	16,328.18	12,032.24
Less: Allocated to Capital Work in Progress		
a) Employee Benefit Expenses	121.50	-
b) Finance Costs	12,647.34	9,956.17
c) Depreciation and Amortisation Expense	292.12	299.77
d) Other Expenses	3,314.73	1,776.30
e) Other Income	(47.51)	-
Total Allocated to CWIP	16,328.18	12,032.24



Particulars	Financial Year ended	Financial year ended
	31-Mar-25	31-Mar-24
Impairment Provision	(3,191.46)	(27,367.38)
Loss on write off of assets (net)	667.67	374.96
Total	(2,523.78)	(26,992.42)

Impairment Provision

The Company has reviewed the impairment testing of the cash generating unit (comprising of property plant equipment, Right of Use asset and capital work in progress) as on the year end. The assets have been impaired/impairment reversal done and necessary accounting effects have been provided in the financials, as per valuation reports submitted by independent valuers. The particulars of the impairment are as below:

FY 2024-25:

Sr. No.	Particulars of the asset	Carrying value before impairment testing	Recoverable value	Impairment
1	Property Plant and Equipment	574.62	599.15	(24.53)
2	Right of Use Asset	15,349.28	11,881.25	3,468.03
3	Capital work in progress	5,03,769.21	5,10,404.17	(6,634.96)
Total		5,19,693.11	5,22,884.57	(3,191.46)

FY 2023-24:

Sr. No.	Particulars of the asset	Carrying value before impairment testing	Recoverable value	Impairment
1	Property Plant and Equipment	11,640.29	11,641.97	(1.68)
2	Capital work in progress	4,23,347.16	4,50,712.86	(27,365.70)
Total		4,34,987.45	4,62,354.83	(27,367.38)

Note 30: Earnings Per Equity Share

Particulars	Year ended	Year ended
	31-Mar-25	31-Mar-24
Net Profit / (Loss) for the year attributable to Equity Shareholders for Basic EPS and diluted EPS (Rs. In lakh)	139.08	31,930.13
Weighted average number of equity shares outstanding during the year for Basic EPS and Diluted EPS (in Nos.)	84,22,38,356	72,76,06,949
Basic and Diluted Earning per share of Rs. 10 each (in Rs.)	0.02	4.39

Note 31: Contingent Liabilities and Commitments

I Contingent Liabilities

- a) Claims against the company not acknowledged as debt - Nil
b) Others

For the period after resolution plan approval - Nil

The Resolution Plan as approved by the Hon'ble NCLT Ahmedabad is implemented and the management and control of the affairs of the Corporate Debtor has been transferred to GAIL (India) Limited in accordance with the Implementation Schedule, contained in the Resolution Plan Approval Order. Further, the Resolution Plan is a complete financial settlement of all past liabilities providing the Company JBF Petrochemicals Limited a fresh start. As such, all the past claims against the Corporate Debtor have been settled and finalised vide the approval of the Resolution Plan, in terms of the law laid in Ghanashyam Mishra and Sons Private Limited v. Edelweiss Asset Reconstruction Company Limited & Ors all past claims that do not form part of the Resolution Plan stands extinguished.

II Commitment

a) Capital Commitment

Estimated amount of contracts (Inclusive of Taxes & Net of Advances) remaining to be executed on Capital account as on 31st March 2025 is Rs. 50,893.20 Lakhs. (Previous year Rs. 14,110.91 Lakhs).

Note 32: IndAS 116

a) Lease liabilities:

Reconciliation of Lease Liabilities: (₹ in Lakhs)

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
Opening Balance	1,108.67	1,008.65
Adjustments for:		
Additions during the year	442.88	103.39
Deletions during the year	-	-
Accretion of interest	111.80	100.79
Foreign exchange loss on restatement of lease liabilities	-	-
Lease liabilities paid during the year	195.36	104.16
Excess Lease liabilities written Back	-	-
Closing Balance	1,467.99	1,108.67
Current	65.83	3.71
Non-current	1,402.16	1,104.96

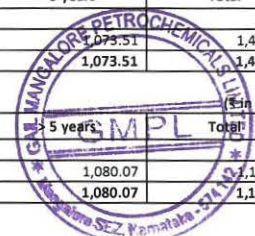
Maturity analysis of Lease Liabilities:

As at 31st March 2025

Particulars	Less than 3 months	3 to 12 months	> 1 to 5 years	> 5 years	Total
Lease Liabilities (Current)		65.83			65.83
Lease Liabilities (Non-Current)			328.65	1,073.51	1,402.16
	-	65.83	328.65	1,073.51	1,467.99

As at 31st March 2024

Particulars	Less than 3 months	3 to 12 months	> 1 to 5 years	> 5 years	Total
Lease Liabilities (Current)		3.71			3.71
Lease Liabilities (Non-Current)			24.89	1,080.07	1,104.96
	-	3.71	24.89	1,080.07	1,108.68



(₹ in Lakhs)

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
Depreciation on right-of-use assets	-	-
Interest expense on lease liabilities*	-	15.24
Expense relating to short-term leases	-	-
Expense relating to low value assets leases	-	-
Variable lease payments	-	-
Total	-	15.24

*Excludes interest on lease liability capitalised during the year

b) Right of Use Assets:

(₹ in Lakhs)

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
Opening Balance	11,154.94	11,351.32
Add: Additions during the year	4,423.21	103.39
Less: Deletions during the year	-	-
Less: Depreciation for the year	228.87	299.77
Less: Impairment loss	3,468.03	-
Closing Balance	11,881.25	11,154.94

Note 33: Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):

Particulars	As at March 31, 2025	As at March 31, 2024
Amount remaining unpaid to supplier at the end of each accounting year;		
Principal	37.99	384.78
Interest on above Principal	Nil	Nil
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small, and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small, and Medium Enterprises Development Act, 2006;	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small, and Medium Enterprises Development Act, 2006;	Nil	Nil



Note 34: Related Party Disclosures

i) The entire Equity Capital of the Company is held by GAIL (India) Ltd. (Holding Company) either singly or jointly.

ii) Related Party Disclosures as per Ind AS 24.

a) Relation and name of the related parties are as under:

A. Holding company

i) GAIL (India) Limited.

B. Subsidiaries of Holding Company:

- i) Bengal Gas Company Limited
- ii) Konkan LNG Limited
- iii) Tripura Natural Gas Company Limited
- iv) GAIL Global (Singapore) Pte. Limited
- v) GAIL Global (USA) Inc.
- vi) GAIL Global USA LNG LLC (100% subsidiary of GAIL Global (USA) Inc.)
- vii) GAIL Gas Limited

C. Indian Associates, Joint Venture Companies of Holding Company :

- i) Indraprastha Gas Ltd.
- ii) Central UP Gas Ltd.
- iii) Green Gas Ltd.
- iv) Aavantika Gas Limited
- v) Bhagyanagar Gas Limited
- vi) Indradhanush Gas Grid Limited
- vii) Brahmaputra Cracker and Polymer Limited
- viii) LLC Bharat Energy Office
- ix) Mahanagar Gas Limited
- x) Maharashtra Natural Gas Limited
- xi) ONGC Petro additions Limited (OPAL)
- xii) ONGC Tripura Power Company Limited
- xiii) Petronet LNG Limited
- xiv) Ramagundam Fertilizers and Chemicals Limited
- xv) Talcher Fertilizers Limited
- xvi) TAPI Pipeline Company Limited
- xvii) Vadodara Gas Limited
- xviii) Coal Gas India Limited

D. Foreign Associates, Joint Venture Companies of Holding Company:

- i) China Gas Holdings Limited
- ii) Fayum Gas Company
- iii) LNG Japonica Shipping Corporation Limited

E. Joint Venture Companies of GAIL Gas Limited (A Subsidiary of Holding Company)

- i) Andhra Pradesh Gas Distribution Corporation Ltd. (APGDC)
- ii) Rajasthan State Gas Limited. (RSGL)
- iii) Haridwar Natural Gas Pvt. Ltd. (HNGPL)
- iv) Goa Natural Gas Pvt. Ltd. (GNGPL)
- v) Purba Bharati Gas Pvt. Ltd. (PBGPL)

F. Key Managerial Personnel

a. Chairman and non-executive director:

- i) Shri Ayush Gupta

b. Non-Executive Directors:

- i) Shri Ajay Tripathi
- ii) Smt. Archana Chaturvedi
- iii) Dr. Rama Srinivasan Velmurugan
- iv) Shri Manab Kumar Biswas
- v) Shri Satish Kumar Sinha

c. Chief Executive Officer

- i) Shri Sudhir Kumar Dixit (01.06.2023 - 31.03.2025)
- ii) Shri Aloke Kumar Naskar (w.e.f 01.04.2025)

d. Chief Financial Officer

- i) Shri Amiya Kumar Dhal

e. Company Secretary

- i) Ms. Devika Srivastava



1. Related party transactions during the year are as under:

(Rs in Lakhs)

Sr. No.	Nature of Transaction	Holding Company		Key Management Personnel		Others		Total	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
1	Loan taken during the year	-	1,47,600.00					-	1,47,600.00
2	Equity investment received	37,700.00	71,300.00					37,700.00	71,300.00
3	Interest on Inter corporate Loan	20,172.39	8,890.41					20,172.39	8,890.41
4	Support Services	902.86	451.64					902.86	451.64
5	Purchase of IT Assets	4.67	14.05					4.67	14.05
6	CTC Invoice for deputed employees	2,182.29	1,348.77					2,182.29	1,348.77
7	Employee Lease Payments	-	5.37					-	5.37
8	Other interest	223.78	31.57					223.78	31.57
9	Payment of Security deposit	(29.89)	-						
10	Interest on Security deposit	1.44	8.56					1.44	8.56
11	Remuneration to Key Management Personnel - Salary and Allowances			195.66	161.88			195.66	161.88

2. Balances with Related Parties:

Sr. No.	Name of Related Party	31-Mar-25	31-Mar-24
1	GAIL (India) Limited:		
	a) Equity Share Capital	1,09,000.00	71,300.00
	b) Loan Outstanding	1,47,600.00	1,47,600.00
	c) Interest Accrued on Loan	20,172.39	8,890.41
	d) Other Expenses	5,234.80	1,815.24
	e) Security Deposit Paid	55.40	85.29
	f) Interest accrued on Security deposit	1.03	45.49

Notes:-

- All the transactions with holding company were made on terms equivalent to those that prevailed in arm's length transactions



Note 35: Employee Benefits

Disclosure under Ind AS 19 on Employee Benefits

I. Defined Contribution Plans

a Provident Fund

During the year, the Company has contributed Rs. 7.40 Lakhs (Previous Year: Nil) to Government at predetermined fixed percentage of eligible employees' salary and charged to statement of profit and loss/ CWIP.

II. Defined Benefit Plans

a Gratuity

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount based on completed tenure of service subject to maximum of Rs.20 lakhs at the time of separation from the Company.

III. Other Long Term Benefit Plans

a Encashable Paid Leave

Encashable Paid Leave of 20 days in a calendar year will be admissible after completion of every one year of engagement. For engagement period corresponding to part of a calendar year, same will be admissible on pro-rata basis. This can be accumulated beyond a period of one year. Encashment of un-availed Paid Leave shall be done at the time of separation/ termination/on the expiry of contract on the basis of last Pay drawn by the concerned individual.

IV. The summarised position of various Defined Benefit Plans & Other Long Term Benefit Plans recognised in the Statement of Profit & Loss, Balance Sheet and Other Comprehensive Income are as under:

(Rs. in lakhs)

Particulars	Gratuity		Encashable Paid Leave	
	Funded		Funded	
	2024-25	2023-24	2024-25	2023-24
a. Expenses recognized in the Statement of Profit & Loss				
Current Service Cost	4.52	-	6.32	-
Past service cost	-	-	-	-
Interest on Benefit Obligation	-	-	-	-
Expected Return on Plan Assets	-	-	-	-
Net actuarial (Gain) / Loss recognized in the year	-	-	-	-
Impact of Gratuity Limit enhancement to Rs.20 lakh reversed	-	-	-	-
Interest on under funding transferred to Emp. Rec. account	-	-	-	-
Other Comprehensive Income	-	-	-	-
Expenses recognized in Statement of P&L	4.52	-	6.32	-
b Reconciliation of fair value of plan assets and liabilities				
Present value of Obligation as at year end	4.52	-	6.32	-
Fair value of Plan Assets as at year end	-	-	-	-
Difference	(4.52)	-	(6.32)	-
Net Asset / (Liability) recognized in the Balance Sheet	(4.52)	-	(6.32)	-
c. Reconciliation of the changes in the Present Value of Obligations				
Present value of Obligations as at beginning of the year	-	-	-	-
Interest Cost	-	-	-	-
Current Service Cost	4.52	-	6.32	-
Past Service cost	-	-	-	-
Benefit Paid	-	-	-	-
Net Actuarial (Gain) / Loss on Obligation	-	-	-	-
Present Value of the Defined Benefit Obligation as at end of the year	4.52	-	6.32	-
d. Reconciliation of the changes in the Fair Value of Plan Assets				
Fair Value of Plan Assets as at beginning of the year	-	-	-	-
Expected return on Plan Assets	-	-	-	-
Contributions by Employer	-	-	-	-
Benefit Paid	-	-	-	-
Actuarial Gain / (Loss)	-	-	-	-
Fair Value of Plan Assets as at end of the year	-	-	-	-
e. Principal actuarial assumption at the Balance Sheet				
Discount rate	7.25%	-	7.25%	-
Expected return on plan assets	-	-	-	-
Annual increase in costs	-	-	-	-
Annual increase in salary	7.25%	-	7.25%	-

f. Net Asset / (Liability) recognized in the Balance Sheet (including experience adjustment impact)

Gratuity	31st March 2025	31st March 2024
Present Value of Defined Benefit Obligation as at end of the year	4.52	-
Fair Value of Plan Asset as at end of the year	-	-
Status [Surplus / (Deficit)]	4.52	-
Experience Adjustment of Plan Assets [Gain / (Loss)]	-	-
Experience Adjustment of Obligation [(Gain) / Loss]	-	-



Encashable Paid Leave	31st March 2025	31st March 2024
Present Value of Defined Benefit Obligation as at end of the year	6.32	-
Fair Value of Plan Asset as at end of the year	-	-
Status [Surplus / (Deficit)]	6.32	-
Experience Adjustment of Plan Assets [Gain / (Loss)]	-	-
Experience Adjustment of Obligation [(Gain) / Loss]	-	-

GAIL employees posted at GAIL Mangalore Petrochemicals Limited are on the rolls of the Holding Company. CTC of those employees deputed to GMPL are being paid by the Company to GAIL (India) Limited and debited to Manpower costs under Other Expenses. No disclosure as per Ind AS 19 has been made with regard to these employees as the same will be complied by the Holding Company.

Note 36: Disclosure as per IndAS 23 on 'Borrowing Cost'

Borrowing costs capitalized in assets including amount allocated towards Capital Work in Progress during the year was Rs 12,647.34 Lakhs (Previous Year Rs. 9,956.17 Lakhs).

Note 37: Disclosure regarding unhedged foreign currency exposure:

The year end foreign currency exposures that have not been hedged by a derivative instruments or otherwise are given below

Particulars	Currency	31-Mar-25		31-Mar-24	
		Amount in FC (in Lakhs)	Amount (in Rs lakhs)	Amount in FC (in Lakhs)	Amount (in Rs lakhs)
Creditors for capital goods payable	EURO	0.31	28.62	0.10	8.77

Note 38: Outflow in foreign currency during the period on account of :

(In Lakhs)

Particulars	Currency	31-Mar-25	31-Mar-24
Interest	EURO	-	-
Others	USD	6.74	-
		99.33	-
		106.07	-

Note 39: Financial Instruments

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level I inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level II inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level III inputs are unobservable inputs for the asset or liability.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required)

Financial assets/ Financial liabilities	Fair value as at		(Rs in Lakhs)
	As at March 31,2025	As at March 31,2024	Fair Value hierarchy
Financial Assets			
Non Current			
(i) Investments	-	-	Level III
(ii) Loans	-	-	Level II
(iii) Others	115.12	101.99	Level II
Current			
(i) Trade Receivables	-	-	Level II
(ii) Cash & Cash equivalents	1,436.49	3,357.59	Level II
(iii) Bank Balances other than (ii)	1,964.91	2,469.97	Level II
(iv) Loans	-	-	Level II
(v) Others	144.19	106.59	Level II
Total Financial Assets	3,660.71	6,036.14	
Financial Liabilities			
Non Current			
(i) Borrowings	1,47,600.00	1,47,600.00	Level II
(ii) Lease Liabilities	1,402.16	1,104.96	Level II
(iii) Other financial liabilities	25,407.19	10,714.03	Level II
Current			
(i) Borrowings	-	-	Level II
(ii) Trade Payables	118.94	693.95	Level II
(iii) Lease Liabilities	65.83	3.71	Level II
(iv) Other financial liabilities	10,845.41	3,781.33	Level II
Total Financial Liabilities	1,85,439.53	1,63,897.98	

Note:

1. There were no transfers between Level 1 and 2 in the period.

2. Loans, Borrowings are at the market rates and therefore the carrying value is the fair value.

3. The carrying amount of trade receivables, trade and other payables and short term loans are considered to be the same as their fair value due to their short term nature.



Financial Instruments by category							(Rs in Lakhs)
	31st March 2025			31st March 2024			
	FVTPL	FVTOCI	Amortised Cost/At Cost	FVTPL	FVTOCI	Amortised Cost/At Cost	
Financial Assets							
Investments (Non-current)							
-Equity instruments		-			-		
-Debt instruments		-			-		
Investments (Current)							
-Mutual Funds							
Trade receivables	-	-	-	-	-	-	-
Cash & Cash equivalents	-	-	1,436.49	-	-	-	3,357.59
Bank Balances	-	-	1,964.91	-	-	-	2,469.97
Other Financial Assets	-	-	259.31	-	-	-	208.58
Total Financial Assets	-	-	3,660.71	-	-	-	6,036.14
Financial liabilities							
Borrowings	-	-	1,47,600.00	-	-	-	1,47,600.00
Trade payables	-	-	118.94	-	-	-	693.95
Lease Liabilities	-	-	1,467.99	-	-	-	1,108.67
Other financial liabilities	-	-	36,252.61	-	-	-	14,495.36
Total Financial Liabilities	-	-	1,85,439.53	-	-	-	1,63,897.98

Note 40: Financial Risk Management Policy

Financial Risk Management Objective and Policies:

The Company's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables and advances from customers. The Company's principal financial assets include loans and advances, trade and other receivables and cash and bank balances that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board provides written principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

i) Market Risk

Market risk is the risk that the fair value of future cash flows of financial assets will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial Assets affected by market risk include loans and borrowings, deposits and derivative financial instruments.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to loan from holding company with floating interest rate linked to RBI Repo rate as disclosed in Note 15.

Sensitivity Analysis:

Term loan obtained from Holding company has a variable element of interest rate and outstanding balance of which as at the year-end is Rs. 147600.00 Lakhs (Previous Year: Rs. 147600.00 Lakhs). However, as the loan has been obtained for revival of the PTA Plant which is under construction, interest is capitalized as a part of Capital work in progress. Therefore, there is no impact on the Company's profit before tax during the year ended 31.03.2025 and 31.03.2024.

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

c) Commodity Price Risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase major machineries, equipments etc. The Company primarily purchases its raw materials and capital goods in the open market from third parties. The Company is therefore subject to fluctuations in prices for the purchase of these commodities. Therefore, the Company plans its purchases closely to optimise the price. Further since the products are of a specific nature which does not entail competition and is heterogeneous in nature due to its specification, the company's exposure to commodity risk is minimal.

ii) Liquidity Risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk may arise from an inability to sell a financial asset quickly at a rate close to its fair value. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company depends entirely on infusion of equity funds by the holding company which provides liquidity in the short-term and long-term and manages the liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities as depicted below:

Particular	Rs in Lakhs		
	As on 31.03.2025		
	< 1 Year	1-3 years	>3 years
Financial Asset			
Trade receivables	-	-	-
Cash & Cash equivalents	1,436.49	-	-
Bank Balances	1,964.91	-	-
Other Financial Assets	198.04	61.27	-
Total Financial Asset	3,599.44	61.27	-
Financial Liability			
Borrowings	-	-	1,47,600.00
Lease Liability	65.83	358.41	1,043.75
Other Financial Liabilities	10,845.41	20,172.39	5,234.80
Trade payables	118.94	-	-
Total Financial Liability	11,030.18	20,530.80	1,53,878.55

Particular	Rs in Lakhs		
	As on 31.03.2024		
	< 1 Year	1-3 years	>3 years
Financial Asset			
Trade receivables	-	-	-
Cash & Cash equivalents	3,357.59	-	-
Bank Balances	2,469.97	-	-
Other Financial Assets	208.58	-	-
Total Financial Asset	6,036.14	-	-
Financial Liability			
Borrowings	-	-	1,47,600.00
Lease Liability	3.71	13,499.58	1,043.47
Other Financial Liabilities	3,781.33	10,705.69	-
Trade payables	693.95	-	-
Total Financial Liability	4,478.99	21.87	1,59,397.11

iii) Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Note 41: Capital Management

Capital includes issued capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, or issue new shares. No changes were made in the objectives, policies or processes during the reporting year.

Note 42: Financial Ratios

Ratio	Numerator	Denominator	2024-25	2023-24	% Variance*
Current Ratio	Current Assets	Current Liabilities	0.40	1.49	-73%
Debt – Equity Ratio	Total Debt	Shareholder's Equity	0.37	0.41	-10%
Debt Service Coverage Ratio	Profit before exceptional items+ Depreciation+ Finance cost+Borrowing cost capitalised- Interest on Lease Liability	Debt Service	NA	NA	
Return on Equity (ROE)	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.00	0.35	-100%
Inventory Turnover Ratio	Cost of goods sold OR sales	Average Inventory	NA	NA	
Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	NA	NA	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	NA	NA	
Net capital turnover ratio	Net Sales	Working Capital	NA	NA	
Net profit ratio	Net Profit	Net Sales	NA	NA	
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	NA	NA	
Return on investment	PAT	Sum invested	NA	NA	
Interest Coverage Ratio	EBIT	Interest Expense	NA	NA	
Operating Profit Margin	Operating Profit (EBIT)	Total Revenue	NA	NA	

* i) The variation in Current ratio is due to increase in Capital liabilities payable during the year

ii) The variation in RoE is due to the difference in reversal of impairment provision as compared to previous year

Note 43:

1. A brief on the Corporate Insolvency Resolution Process in respect of JBF Petrochemicals Limited

IDBI Bank initiated Corporate Insolvency Resolution Process (CIRP) against JBF Petrochemicals Limited, which was admitted by NCLT Ahmedabad on 28.01.2022, with Mr. Sundarsh Bhat appointed as the Resolution Professional. GAIL (India) Limited submitted a resolution plan that was approved by the Committee of Creditors and later by NCLT on 13.03.2023. The resolution plan was successfully implemented on 10.06.2023, with GAIL taking over the management and control of the company. All liabilities, including contingent ones, were fully settled under the approved plan, and the difference between outstanding dues and amounts paid was transferred to capital reserve. GAIL infused ₹2,101 crore (₹625 crore equity and ₹1,476 crore debt), cancelled existing share capital, and became the 100% owner of the company. The company's name was changed from JBF Petrochemicals Limited to GAIL Mangalore Petrochemicals Limited effective 18.07.2023.

2. Status of Litigation Corpus set aside as per Resolution plan

As per the approved Resolution plan for JBF Petrochemicals Limited, out of the total resolution plan amount, an amount of Rs. 20 Crores was set aside for setting up a corpus to be used exclusively for meeting all direct and indirect costs and expenses associated with the litigations that may arise for representing the CoC, the RP and/or the Corporate Debtor in any litigation or proceedings, including but not limited to the avoidance transactions arising out of and/or in connection with the CIRP of the Corporate Debtor, which is arising on or after the Effective date till its final adjudication. Also, as per the decision of the Monitoring Committee, an amount of Rs. 5 Crores was set aside against the appeal (I.A. No. 1893 of 2023) filed by Income tax Department before the Hon'ble NCLAT. Therefore, a total amount of 25 Crores has been set aside as Litigation Corpus.

During the year, an amount of Rs. 6.25 Cr (Previous year Rs. 1.60 Cr) has been paid out of the litigation corpus including the amount set aside for Income tax litigation as the appeal has been dropped by NCLAT.

3. Avoidance / PUF transactions filed by the RP before Hon'ble NCLT Ahmedabad

As required under the I&B code, the RP while discharging his duties under the code, below transactions were filed under Section 43-66 of the I&B Code ("PUFE Transactions") before the Hon'ble NCLT Ahmedabad seeking appropriate reliefs under the code:

Sr.No	Nature of PUF transaction under I&B Code	Interlocutory Application No.	Amounts involved (in Lakhs)
1	Section 43 – Preferential Transactions- Preferential transactions in the nature of preferential payments to certain vendors within the look-back period as covered under Section 43 of the I&B Code 2016	I.A. 615 of 2022	70.00
2	Section 45 – Undervalued Transactions- Undervalued transactions being sale of raw material at undervaluation to various parties as covered under Section 45 of the I&B Code 2016	I.A. 603 of 2022	17.65
3	Section 66 – Fraudulent Transactions- Fraudulent transactions being sale of raw material at undervaluation to various parties, payment & provisioning of Corporate Guarantee Commission to related parties, equity infusion through round tripping of funds as covered under Section 45 of the I&B Code 2016	I.A. 617 of 2022	21,624.62
4	Section 66 - Fraudulent Transactions - Fraudulent transactions being Corporate Guarantee provided to JBF Industries Ltd. Huge sums were booked by the Corporate Debtor payable to JBFIL towards corporate guarantee commission.	I.A. 668 of 2022	
	Total		32,563.99

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Note 44:

The Ministry of Corporate Affairs (MCA) has issued a notification (Companies (Accounts) Amendment Rules, 2021) which is effective from 1st April 2023, states that every company which uses accounting software for maintaining its books of accounts shall use only the accounting software where there is feature of recording audit trail of each and every transaction and further creating an edit log of each change made in books of accounts along with the date when such changes are made and ensuring that the audit trail cannot be disabled.

The company uses SaaS based SAP ERP which is operated by holding company GAIL (India) Limited as a primary accounting software for maintaining books of Accounts which has a feature of recording audit trail (edit log) facility and that has been operative from 14-09-2023 for the transactions recorded in the software impacting books of accounts at application level.

The Company has migrated to SAP on 14-09-2023 from Tally which did not have Audit trail feature.

Note 45: Segment reporting is not applicable since the company has not yet started operations after takeover.

Note 46: Other Statutory Information

a) The title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the erstwhile name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as Right to use assets in the financial statements, the lease agreements are in the erstwhile name of the Company except Survey Number 4-214, IP No. 9, MSEZ, Bajpe, Mangalore-574142 measuring 11.17 Acres which is not registered in the name of the company.

b) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Asset) since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16.

c) The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment.

d) The Company has been sanctioned a non-fund-based credit facility of Rs. 150 Crores by Axis Bank, against which a first pari passu charge has been created on the Company's movable fixed assets or specific assets.

e) Registration, Modification and Satisfaction of charges, where ever applicable, relating to the year under review, had been filed with the Registrar of Companies, within the prescribed time.

f) There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

g) The Company has been sanctioned an overdraft limit of Rs. 5 Crores from Axis bank which has not been availed as on 31.03.2025

h) The Company is not declared as willful defaulter by any bank or financial Institution or other lenders.

i) The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.

j) There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.

k) 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

l) The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.

m) The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence, disclosures relating to it are not applicable

Note 47: a) Previous year figures have been regrouped and reclassified, wherever necessary to confirm to the current years classification.

b) Figures in brackets denote negative figures.

As per our report of even date attached

For **M/s Shabbir and Ganesh**

Chartered Accountants

Firm Regn. No.:0090335

CA. GANESH V

Partner

Membership No.:207231

UDIN: 2507231BMIC124293

Place: Mangalore

Date: 30/04/2025



For and on behalf of the Board of Directors of
GAIL Mangalore Petrochemicals Limited

M K Biswas

Director

DIN: 10394523

A K Dhal

Chief Finance Officer

Devika Srivastava

Company Secretary

Membership No. A54686

S K Sinha

Director

DIN: 10528036

A K Naskar

Chief Executive Officer

Place: **NEW DELHI**

Date: **30.04.2025**



Corporate Information & Material Accounting Policies



GAIL Mangalore Petrochemicals Limited

Note 1A: Corporate Information & Material Accounting Policies

FY 2024-25

Corporate Information

GAIL Mangalore Petrochemicals Limited ("GMPL" or "the Company", erstwhile M/s JBF Petrochemicals Limited) is a Public Limited Company domiciled in India (CIN: U24290DL2008PLC423872). The Company was acquired through corporate insolvency resolution process under the Provisions of the Insolvency and Bankruptcy Code, 2016 vide NCLT order NO IA NO. 899/AHM/2022 IN CP (IB) 232 / AHM/2018 dated 13.03.2023. It became a wholly owned subsidiary of GAIL (India) Ltd with effect from 01.06.2023 and the name of the company was changed to GAIL Mangalore Petrochemicals Limited (GMPL) with effect from 18.07.2023.

The Registered office of the company was shifted from the Union Territory of Dadra and Nagar Haveli to the National capital Territory of New Delhi at 16, Bhikaji Cama Place, R K Puram, New Delhi- 110066.

GMPL undertakes setting up of 1.25 million tons per annum of Purified Terephthalic Acid (PTA) Plant situated at Mangalore Special Economic Zone.

The Financial Statements of the Company for the year ended 31st March 2025 were authorized for issue in accordance with a resolution of the Board of Directors on 30th April 2025.

Basis of Preparation

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by the Ministry of Corporate Affairs ("MCA") under section 133 of the Companies Act, 2013 ("Act"), read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

The Financial Statements have been prepared as a going concern on accrual basis of accounting. The Company has adopted historical cost basis for assets and liabilities except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

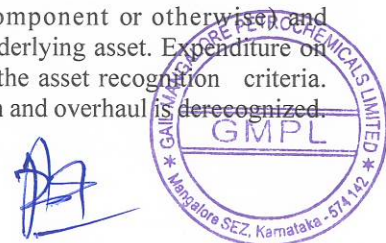
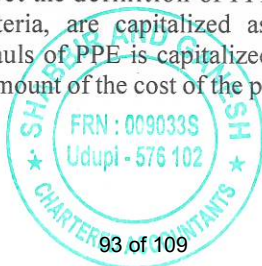
The Financial Statements are presented in Indian Rupees (₹) and the values are rounded to the nearest Lakhs (up to two decimals) except when otherwise indicated.

Material Accounting Policies

1 Property, Plant and Equipments (PPE)

The Costs of an item of PPE is recognized as an asset if, and only if:

- i) It is probable that the future economic benefits flow to the entity; and the cost of an item can be measured reliably
- ii) Property, Plant and Equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation / amortization and cumulative impairment losses. All costs relating to acquisition of fixed assets till commissioning of such assets are capitalized. In the case of commissioned assets where final payment to the Contractors is pending, capitalization is made on provisional basis, including provisional liability pending approval of Competent Authority, subject to necessary adjustment in cost and depreciation in the year of settlement.
- iii) Stores & Spares which meet the definition of PPE (whether as component or otherwise) and satisfy the recognition criteria, are capitalized as PPE in the underlying asset. Expenditure on major inspection and overhauls of PPE is capitalized, when it meets the asset recognition criteria. Any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized.



The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. If it is not practicable to determine the carrying amount of the replaced part, the Company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed.

- iv) Technical know-how/license fee incurred at the time of procurement of PPE are capitalized at par of the underlying asset.
- v) Items of PPE may be acquired for safety or environmental reasons. The acquisition of such PPE, although not directly increasing the future economic benefits of any particular existing item of PPE, may be necessary for an entity to obtain the future economic benefits from its other assets. Such items of PPE are recognized as assets
- vi) Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss. In circumstance, where an item of property, plant and equipment is abandoned, the net carrying cost relating to the property, plant and equipment is written off in the same period.

2 Intangible Assets

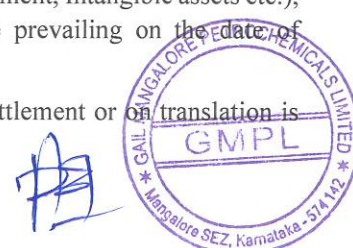
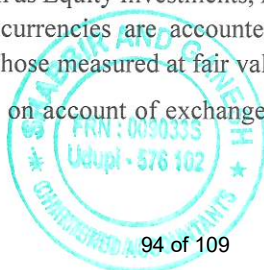
- i) Intangible assets like Right of Use (ROU), Software, and Licenses which are expected to provide future enduring economic benefits are capitalized as Intangible Assets and are stated at their cost of acquisition less accumulated amortization and any accumulated impairment loss.
- ii) Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.
- iii) An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gain or loss on de-recognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of intangible assets and are recognized in the statement of profit and loss.

3 Capital Work In progress

- i) Capital work in progress are property, plant and equipment that are not yet ready for their intended use at the reporting date, which are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.
- ii) The capital work in progress includes Construction Stores including Material in Transit/ Equipment / Services, etc. received at site for use in the projects.
- iii) All revenue expenses incurred during Construction Period, which are exclusively attributable to acquisition/construction of the asset, are capitalized at the time of commissioning of such assets.

4 Foreign Currency Transaction

- i) Functional Currency of the Company is Indian Rupee (INR).
- ii) Transactions in foreign currency are initially accounted at the exchange rate prevailing on the transaction date.
- iii) Monetary items (such as Cash, Receivables, Loans, Payables, etc.) denominated in foreign currencies, outstanding at the year end, are translated at exchange rates (BC Selling Rate for Payables and TT Buying Rate for Receivables) prevailing at year end.
- iv) Non-monetary items (such as Equity Investments, Property plant and equipment, Intangible assets etc.), denominated in foreign currencies are accounted at the exchange rate prevailing on the date of transaction(s) other than those measured at fair value.
- v) Any gains or loss arising on account of exchange difference either on settlement or on translation is



adjusted in the Statement of Profit & Loss.

- vi) Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item arising on determination of fair value of such item, either in other comprehensive income or the Statement of Profit and Loss as the case maybe.

5 Borrowing Cost

Borrowing costs consist of:

- i) interest expense calculated using the effective interest method as described in Ind AS 109-‘Financial Instruments’
- ii) interest expense on lease liabilities recognized in accordance with Ind AS 116- ‘Leases’ and
- iii) Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing cost of the funds specifically borrowed for the purpose of obtaining qualifying assets and eligible for capitalization along with the cost of the assets, is capitalized up to the date when the asset is ready for its intended use after netting off any income earned on temporary investment of such funds. Other borrowing costs are recognized as expense in the year of incurrence.

6 Non-Current Assets held for Sale:

Non-current assets or disposable groups classified as held for sale are measured at the lower of carrying amount and fair value less cost to sale. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Non-current assets or disposable groups are classified as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use. Management must be committed to the sale expected within one year from the date of classification. Action required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

PPE and Intangible assets once classified as held for sale are not depreciated or amortized.

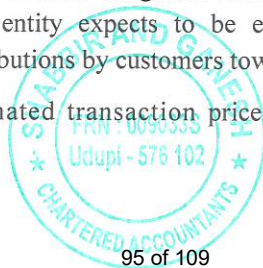
7 Inventories

- i) Raw materials and finished goods are valued at weighted average cost or net realizable value, whichever is lower.
- ii) Stock in process is valued at weighted average cost or net realizable value, whichever is lower. It is valued at weighted average cost where the finished goods in which these are to be incorporated are expected to be sold at or above the weighted average cost.
- iii) Stores and spares and other material for use in production of inventories are valued at weighted average cost or net realisable value, whichever is lower. It is valued at weighted average cost where the finished goods in which they will be incorporated are expected to be sold at/or above cost.
- iv) Surplus / Obsolete Stores and Spares are valued at cost or net realisable value, whichever is lower.
- v) Surplus / Obsolete Capital Stores, other than held for use in construction of a capital asset, are valued at lower of cost or net realisable value.

8 Revenue recognition

The Company has applied the modified retrospective approach on transition to Ind AS 115

- i) Revenue is recognized to depict the transfer of control of promised goods or services to customers upon the satisfaction of performance obligation under the contract in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Consideration includes contributions by customers towards assets over which Company has control.
- ii) Company updates its estimated transaction price at each reporting period, to represent faithfully the



circumstances present at the end of the reporting period and the changes in circumstances during the reporting period including penalties, discounts and damages etc.

- iii) Insurance claims are accounted for on the basis of claims admitted by the insurers.
- iv) Claims (including interest on delayed realization from customers) are accounted for, when there is significant certainty that the claims are realizable.
- v) Dividend is recognized when right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.
- vi) Interest Income is recognized on effective interest rate taking into account the amount outstanding and the rate applicable.
- vii) Other items are recognized on accrual basis.

9 Depreciation /Amortization

a) Property Plant and Equipment (PPE)

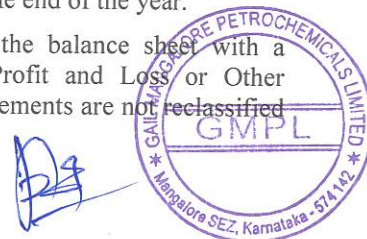
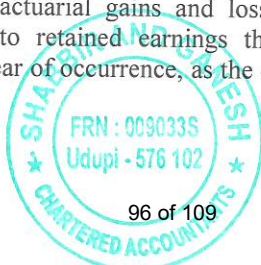
- i) Depreciation on PPE (including enabling assets) is provided in accordance with the manner and useful life as specified in Schedule II of the Companies Act, 2013, on straight line method (SLM) on pro-rata basis (monthly pro-rata for bought out assets).
- ii) Cost of the leasehold land is amortized over the lease period except perpetual leases.
- iii) Depreciation due to price adjustment in the original cost of fixed assets is charged prospectively.
- iv) The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate. The depreciation/amortization for future periods is revised if there are significant changes from previous estimates. The Company has considered residual value of PPE at 5% of the cost of assets.

b) Intangible Assets

- 1. Right of use (ROU) having indefinite life (for which there is no foreseeable limit to the period over which they are expected to generate net cash flows given the fact that these rights can be used even after the life of respective pipelines) are not amortized, but are tested for impairment annually.
- 2. The cost of Intangible assets comprising software and licenses, etc. are amortized on Straight Line Method (SLM) over a period of 5 years/actual useful life whichever is lower from the date of capitalization.

10 Employees Benefits

- (a) All short-term employee benefits are accounted in the accounting period in which the services have been incurred.
- (b) The Company's contribution to the Provident Fund is remitted to Employees' Provident Fund Organization (EPFO) based on a fixed percentage of the eligible employee's salary and debited to Statement of Profit and Loss.
- (c) Employee Benefits under Defined Benefit Plans in respect of Gratuity is provided using the Projected Unit Credit method of actuarial valuation made at the end of the year.
- (d) Employee Benefits under Other Long-Term Employee Benefits, in respect of leave encashment is provided using the Projected Unit Credit method of actuarial valuation made at the end of the year.
- (e) Re-measurement including actuarial gains and losses are recognized in the balance sheet with a corresponding debit or credit to retained earnings through Statement of Profit and Loss or Other Comprehensive Income in the year of occurrence, as the case may be. Remeasurements are not reclassified



to the Statement of Profit and Loss in subsequent periods.

11 Impairment of Non-financial assets

The Carrying amount of cash generating unit are reviewed at each reporting date. In case there is any indication of impairment based on Internal / External factors, impairment loss is recognized wherever the carrying amount of asset exceeds its recoverable amount.

12 Provisions, Contingent Liabilities, Contingent Assets & Capital Commitments

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, the amount of a provision shall be the present value of the expenditures expected to be required to settle the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence 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. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities/ assets exceeding ` 5 Lacs in each case are disclosed by way of notes to accounts except when there is remote possibility of settlement/realization.

Estimated amount of contracts (Inclusive of Tax & net of advances) remaining to be executed on capital accounts are disclosed in each case above ` 5 lacs.

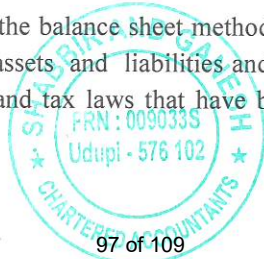
13 Taxes on Income

i) Current Tax

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the assets and the liability on a net basis.

ii) Deferred Tax

Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes considering the tax rate and tax laws that have been enacted or substantively enacted as on the



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reporting date.

Deferred tax relating to items recognized outside Statement of Profit and Loss is recognized outside Statement of Profit and Loss (either in Other Comprehensive Income or in Equity).

The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liabilities arises from the initial recognition of assets/ liabilities/ goodwill in a transaction that is not a business combination and at the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets/ liabilities are measured based on the tax rates (and tax laws) that have been enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legal right exists to set off the same.

14 Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

15 Segment reporting

The Management of the company monitors the operating results of its business Segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products / services.

- i) Segment revenue includes directly identifiable with/ allocable to the segment including inter-segment revenue.
- ii) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result.
- iii) Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
- iv) Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
- v) Segment assets including CWIP and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

16 Earnings per share

Basic earnings per equity share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

17 Liquidated damages/ Price Reduction Schedule

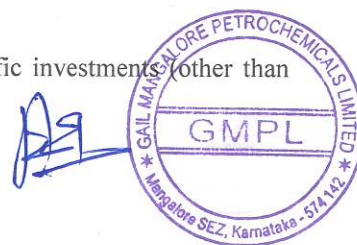
Amount recovered towards Liquidated Damages/ Price Reduction Schedule are adjusted/appropriated as and when the matter is settled.

18 Statement of Cash Flow

Statement of cash flow is prepared in accordance with the indirect method prescribed in Ind AS 7, 'Statement of Cash Flows'.

19 Fair value measurement

The Company measures financial instruments including derivatives and specific investment (other than



subsidiary, joint venture and associates), at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

20 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.

(A) Financial assets

a) Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through Statement of Profit and Loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

b) Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

c) Subsequent measurement

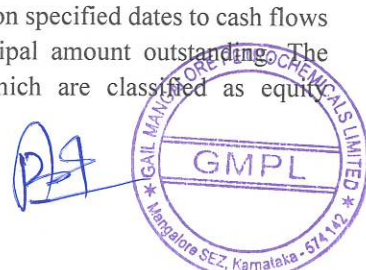
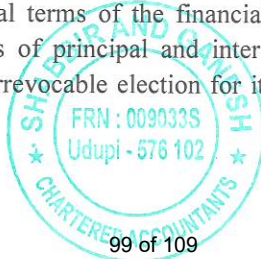
For purposes of subsequent measurement financial assets are classified in below categories:

i. Financial assets carried at Amortised cost.

A financial asset other than derivatives and specific investments, is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset 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.

ii. Financial assets at fair value through other comprehensive income

A financial asset other than derivatives comprising specific investment is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling 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. The Company has made an irrevocable election for its investments which are classified as equity.



instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

iii. Financial assets at fair value through Statement of Profit and Loss

A financial asset comprising derivatives which is not classified in any of the above categories are subsequently fair valued through profit or loss.

d) De recognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

- i. The amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115 'Revenue from Contracts with Customers'
- ii. The Company recognize the initial fair value of financial guarantee as deemed investment with a corresponding liability recorded as financial guarantee obligation. Such deemed investment is added to the carrying value amount of the investment in subsidiaries, joint venture and associates. Financial guarantee obligation is recognized as other income in Statement of Profit and Loss over the remaining period of financial guarantee.

e) Impairment of other financial assets

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and all lease receivables etc.

(B) Financial liabilities

a) Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through Statement of Profit and Loss. Such liabilities, including derivatives shall be subsequently measured at fair value.

b) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

c) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

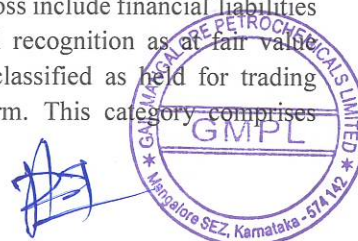
i. Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

ii. Financial liabilities at fair value through Statement of Profit and Loss

Financial liabilities at fair value through Statement of Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Statement of Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category comprises



derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

d) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

21 Leases

The Company's leased asset primarily consist of leases for land and buildings. The Company assesses at the inception of contract whether a contract is, or contains, a lease i.e. if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessee

a) Identifying a lease

At the inception of the contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The company assesses whether:

- i. The contract involves the use of an identified asset, specified explicitly or implicitly.
- ii. The Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use, and
- iii. The Company has right to direct the use of the asset.

Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

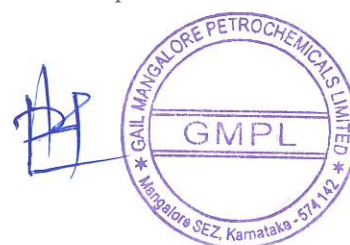
b) Initial recognition of Right of use asset (ROU)

The Company recognizes a ROU asset at the lease commencement date (i.e., the date the underlying asset is available for use). ROU assets are initially measured at cost less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, adjusted for any lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

c) Subsequent measurement of Right of use asset (ROU)

ROU assets are subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of ROU asset or the end of the lease term. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurement of the lease liability. Refer to the accounting policies in section 11-Impairment of non-financial assets.

d) Initial recognition of lease liability



Lease liabilities are initially measured at the present value of the lease payments to be paid over the lease term. Lease payments included in the measurement of the lease liabilities comprise of the following:

- i. Fixed payments, including in-substance fixed payments
- ii. Variable lease payments that depend on an index or a rate
- iii. Amounts expected to be payable under a residual value guarantee; and
- iv. The exercise price under a purchase option, extension option and penalties for early termination only if the Company is reasonably certain to exercise those options.

e) Subsequent measurement of lease liability

Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

f) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption. Lease payments on short-term leases and leases of low-value assets are recognized as expense in Statement of Profit and Loss.

As a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the lease term.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables and finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Estimates and assumptions

Determination of discount rate as a lessee

Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. Company estimates its incremental borrowing rate, which is the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment using observable available inputs (such as market interest rates).

22 Exceptional Items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the company is treated as an exceptional item and disclosed as such in the financial statements and also as per the Guidance note on Schedule III of Companies Act, 2013

23 The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification as below.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle



- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current

The company has ascertained its operating cycle as 12 months.



Note 1B: Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures, contingent liabilities/ assets at the date of the financial statements. An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty - that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such cases, the company develops an accounting estimate to achieve the objective set out by the accounting policy. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the areas where significant judgments, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

1. Judgements

In the process of applying the Company's accounting policies, management has made the judgments, which have the most significant effect on the amounts recognized in the financial statements:

1.1 Contingencies

Contingent liabilities and assets which may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involve the exercise of significant judgments and the use of estimates regarding the outcome of future events.

2. Estimates and assumptions.

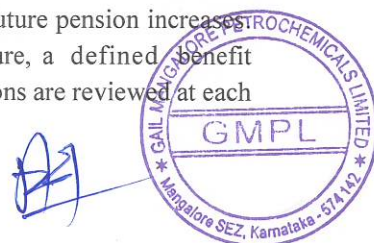
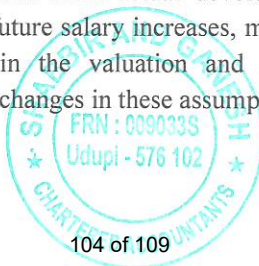
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company determines its assumptions and estimates on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.1 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

2.2 Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. 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. All assumptions are reviewed at each



reporting date.

23 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

24 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Impairment of investment in subsidiaries, joint ventures or associates is based on the impairment calculations using discounted cash flow/net asset value method, valuation report of external agencies, Investee Company's past history etc.



Comments of CAG



भारतीय लेखापरीक्षा एवं लेखा विभाग
कार्यालय महानिदेशक लेखापरीक्षा (ऊर्जा)
नई दिल्ली



INDIAN AUDIT & ACCOUNTS DEPARTMENT
Office of the Director General of Audit (Energy)
New Delhi

Dated: 14-07-2025

सेवा में,

अध्यक्ष,

गेल मँगलोर पेट्रोकेमिकल्स लिमिटेड,

नई दिल्ली

विषय:- 31 मार्च 2025 को समाप्त वर्ष के लिए गेल मँगलोर पेट्रोकेमिकल्स लिमिटेड, नई दिल्ली के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं, गेल मँगलोर पेट्रोकेमिकल्स लिमिटेड, नई दिल्ली के 31 मार्च 2025 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ।

कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

भवदीय,

संलग्नक:- यथोपरि।

तनुजा मितल

(तनुजा मितल)
महानिदेशक (ऊर्जा)

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF GAIL MANGALORE PETROCHEMICALS LIMITED FOR THE
YEAR ENDED 31 MARCH 2025**

The preparation of financial statements of GAIL Mangalore Petrochemicals Limited for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30 April 2025.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of GAIL Mangalore Petrochemicals Limited for the year ended 31 March 2025 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

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

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

Tanuja Mittal

(Tanuja Mittal)

Director General of Audit General (Energy)

Place: New Delhi

Date: 14-07-2025

