Making our world more productive

Sect/57
27 May 2022

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

Dear Sir/Madam,

Notice of 86th Annual General Meeting and copy of Annual Report 2021

As already informed to you earlier, the 86th Annual General Meeting (AGM) of the Members of the Company has been convened on Thursday, 23 June 2022 through Video Conference (VC) /Other Audio-Visual Means (OAVM). The Company has today commenced the desptach of the pdf copy of the Notice of its 86th AGM and Annual Report 2021 by e-mail to its shareholders through National Securities Depository Limited (NSDL). The aforesaid Notice and Annual Report are being sent to all the shareholders whose e-mail addresses are registered with the Company/RTA/Depositories.

The Notice of the 86th AGM contains the following agenda items:

Sl. No.	Particulars of Agenda items	Type of Resolution
1.	Adoption of Audited Standalone and Consolidated Financial Statements and Reports thereon for the financial year ended 31 December 2021	Ordinary Resolution
2.	Declaration of Dividend for the financial year ended 31 December 2021	Ordinary Resolution
3.	Re-appointment of Director retiring by rotation - Mr Robert John Hughes.	Ordinary Resolution
4.	Appointment of Statutory Auditors - M/s Price Waterhouse & Co. Chartered Accountants LLP from the conclusion of the 86th AGM until the conclusion of the 91st AGM of the Company	Ordinary Resolution
5.	Appointment of Director- Ms Mannu Sanganeria	Ordinary Resolution
6.	Re-appointment of Managing Director- Mr Abhijit Banerjee for a second term of 3 years from 7 June 2022 to 6 June 2025	Special Resolution
7.	Ratification of remuneration of M/s. Mani & Co., Cost Auditors for the financial year 2022	Ordinary Resolution

Making our world more productive

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a pdf copy of the Notice of the 86th AGM and Annual Report 2021 of our Company for the financial year ended 31 December 2021 for your reference with a request to please disseminate them on your website for information of all the Members and Investors of our Company.

The Annual Report 2021 and the Notice of the 86th Annual General Meeting are also uploaded on the Company's website at www.linde.in and are also available on the website of NSDL at www.evoting.nsdl.com.

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

Thanking you,

Yours faithfully,

Pawan Marda
Director- Corporate Affairs and Company Secretary

Encl: as above

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Linde India Limited
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Kolkata 700 088, India
CIN L40200WB1935PLC008184

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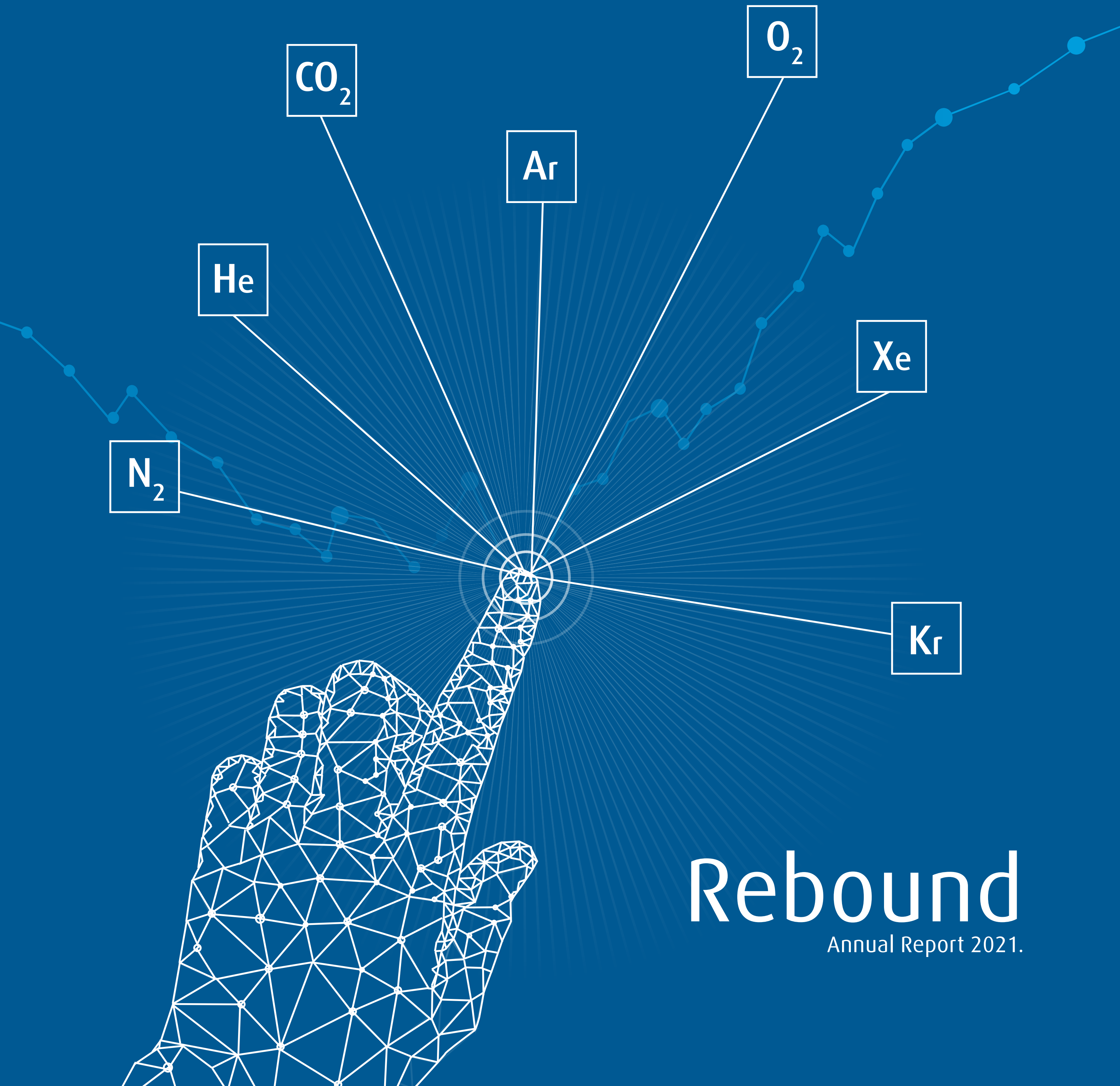
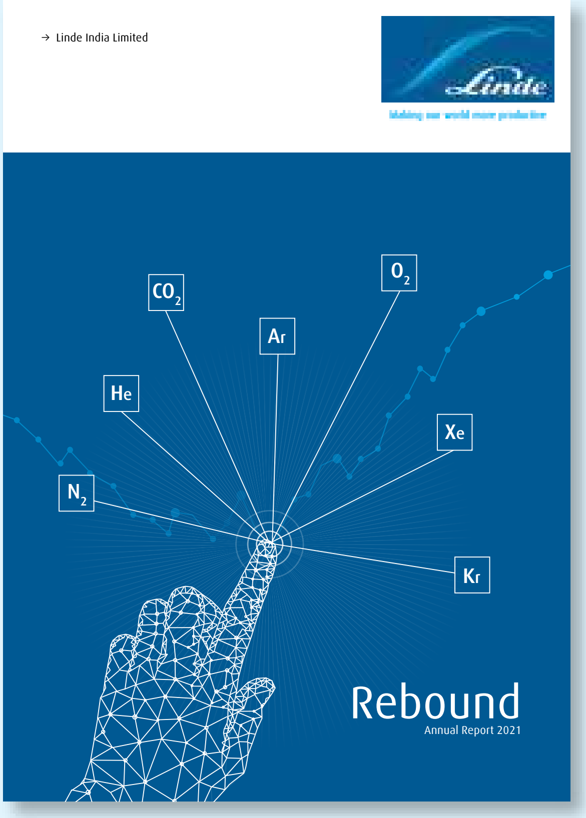
→ Linde India Limited

Making our world more productive



Rebound

Annual Report 2021.



Rebound.

Ability to rebound is one of the most important aspects of business in a VUCA (volatile, uncertain, complex and ambiguous) world. For Linde India, Rebound after each fall is a reflection of its agile business model, market leadership, and its people, who deliver innovative solutions for customers.

This "Rebound" is triggered by a committed team that resolutely pursued a shared vision and carefully executed Linde's strategy of profitable growth safely.

Contents.

Chairman's Message.

Dear Shareholders,

As I reflect on the year gone by, 2021 was another difficult year when the second wave of COVID-19 in India caused unprecedented suffering that is hard to comprehend as it devastated lives and livelihoods. As you all know, the Government of India and the State Governments, however, did respond to the crisis in a very commendable manner in various ways. All these measures and the phased unlocking of the economy led to a sharp recovery in the later part of 2021. Fortunately, the 3rd wave of Covid-19 was comparatively much milder than the earlier variant and did not cause any notable disruption.

In this backdrop, I am delighted to note that your Company recorded a remarkable performance in 2021 as it delivered total revenues from operations of Rs. 21,120 million as compared to Rs. 14,711 million in 2020. The Company's revenues during 2021 have recorded a growth of 44% over 2020 despite the divestment of the South Region Divestment Business. While the Gases revenues grew by 38% from Rs.12,001 million to Rs.16,611 million, the revenues of the Project Engineering Division recorded a robust growth of about 66%, which rose from Rs. 2,710 million during 2020 to Rs.4,509 million in the year 2021. This reflects a strong REBOUND since the lows of 2020, during which the Company demonstrated resilience of its character.

The growth in the Gases revenues during the year 2021 was mainly driven by liquid and compressed medical oxygen during the 2nd quarter led by significant surge in demand during the 2nd wave of Covid-19. This demand started to taper off during the subsequent 3rd and 4th quarters, which was replaced by demand for industrial gases including higher volumes of argon, helium and special gases. On the other hand, the growth in the Project Engineering business was driven by higher revenues from steel and refinery sectors, which was more conspicuous on account of the lower base of the previous year. You will recall that the prolonged nationwide lockdown during the year 2020, had disrupted most of the project sites resulting in deferment of revenues.

During the year under review, your Company achieved pre exceptional earnings before interest, depreciation and amortisation (EBITDA) of Rs. 6,013 million as compared to Rs. 4,075 million during 2020. This increase in the operating profit vis-a-vis 2020 was mainly on account of higher volumes and pricing impact across revenues from onsite, healthcare, packaged and special gases, productivity savings from plant load optimization and operations as well as efficiencies achieved in the distribution of products. The PED business also contributed to higher operating profits as a result of significantly higher billings as compared to 2020. The operating profits were further boosted by reduction of fixed costs, higher dividend income from the Joint Venture and interest income. Profit before tax (PBT) before exceptional item amounted to Rs. 4,168 million, which is significantly higher as compared to Rs.2,252 million in the previous year. Your Company's profit after tax for the year under review amounted to Rs. 5,139 million, which includes exceptional profit of Rs. 2,944 million from the sale of closed factory land at Kolkata. The Directors Report deals with the performance in more detail.

Looking ahead, I must add that while the subsequent potential waves of Covid continue to pose some uncertainty, the ongoing conflict between Russia and Ukraine that started in February 2022 and other geo-political tensions in some geographies continues to impact economies across the globe. This conflict has resulted in sharp increase in energy prices, inflation and supply chain disruptions globally and India is not an exception. The global economies and the humanity are hopeful of an early and peaceful resolution of this conflict as it will ease the energy prices and supply chain disruptions and usher peace.

Closer home, with an improvement in the economic scenario in the last few quarters in India, there has been an increase in investments across various sectors of the economy and new opportunities are emerging. Both public and private capital investment in core sectors are expected to drive consistent, all-round economic growth, more particularly improving capacity utilization and investments in the manufacturing sector. Your Company has been pursuing several opportunities for profitable growth in the gases and the project engineering businesses, many of which are already in pipeline and covered in more detail in this report. I am sure all these will help Linde India to sustain and build on the REBOUND in the year ahead.

With these thoughts, I wish you well and thank you for reposing your confidence in Linde India.

Warm regards,

R J Hughes
Chairman

14 April 2022

Rebound.

The year 2021 was a year of Rebound at Linde India Ltd. The rebound is evident across multiple financial and operational performance parameters during 2021, when the company created enhanced economic and social value for its stakeholders.

The Covid-19 pandemic had pushed the global economy into recession in 2020 on a scale not witnessed since the 1930s. Adverse impact of the pandemic even continued in most part of 2021. Prolonged shutdowns, supply chain disruptions, plummeting demands and above all impact on human lives had pushed governments and business to unprecedented turmoil. Linde India responded to the situation by expanding its medical oxygen production and distribution, which ensured seamless supply of medical oxygen across India.

During these unprecedented times, the team at Linde India was realigning its strategies, which included rationalisation and monetisation of assets, expanding the production capabilities and its customer base.

As an outcome of the company's relentless pursuit to deliver innovative and sustainable solutions for customers, 2021 was a year of Rebound. The company significantly improved its performance in both its business segments i.e. gases and related products and project engineering.

The Rebound was evident in all performance parameters such a financial, operational as well as social and environmental contributions. A brief synopsis of the Rebound is presented here.

Rebound – Financial

During FY21, the company achieved 43.6% higher revenue at Rs. 21,119.58 million compared to Rs. 14,711.24 million a year ago. This rebound is testimony to your Company's resilience, as this financial performance was achieved despite the divestment of the South Region Divestment Business.

The company remained debt-free as at the end of 2021 and continues to have a strong balance sheet.

43.6%

YoY increase in revenue

Revenue from Operations in FY 2021 at Rs.21,119.58 million was 43.6% higher as compared to Rs.14,711.24 million in FY 2020

47.6%

YoY increase in EBITDA

EBITDA for FY21 at Rs.6,012.51 million was 47.6% higher as compared to Rs.4,074.85 million in FY 2020, driven primarily by higher volumes, pricing actions, productivity benefits, etc.

73.7%

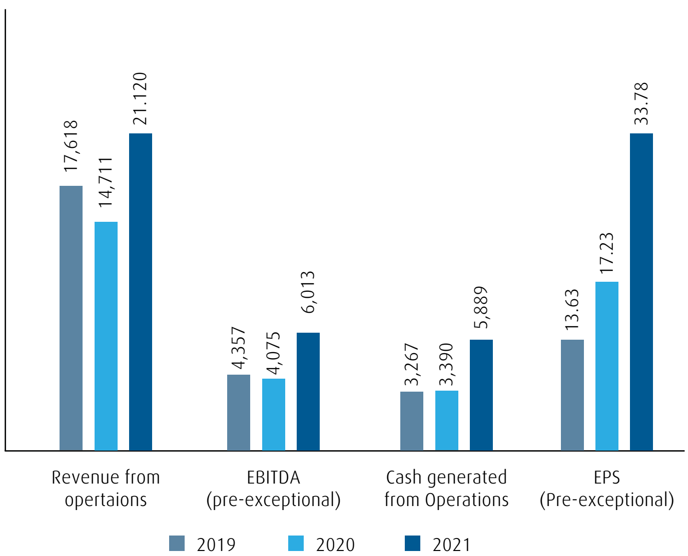
YoY increase in cash generated from operations

Cash generated from operations at Rs.5,888.78 million during FY 2021 was 73.7% higher than Rs. 3,389.59 million generated during FY 2020.

96.0%

YoY increase in Earnings per share

Earnings per share (before exceptional item) improved from Rs. 17.23 for FY 2020 to Rs. 33.78 for FY 2021.



Note: All figures in Rs. million except EPS

Rebound - Operational Initiatives

View of HPS Gases site at Baroda

Acquisition of packaged gases business in Western markets

The company entered into a business transfer agreement with HPS Gases to acquire its packaged gases business and distribution assets in August 2021 with effect from 1 November 2021 at an aggregate cash consideration of ₹275 million. This acquisition is expected to help expand Linde's presence in the packaged gas and micro bulk market in western India.

250 tonnes per day merchant air separation unit at Dahej

Linde India is presently setting-up of a 250 tonnes per day merchant Air Separation Unit at Dahej, Gujarat at a capex of Rs.1,386 million to secure growth in the gases business in Western markets and deliver cost savings. The new ASU is being set up at the Company's existing Dahej site, where the 110 tonnes per day Air Separation Unit is in operation and is expected to be commissioned by the end of October 2023.

264 tonnes per day merchant air separation unit near Ludhiana

Linde India is presently setting-up a 264 tonnes per day merchant Air Separation Unit near Ludhiana, Punjab at a capex of Rs.1,521 million to secure growth in the gases business in Northern markets and deliver cost savings. The new ASU is expected to be on stream by December 2023.

900 tonnes per day onsite air separation unit at ESL Bokaro Steel works

Linde India is presently setting-up a 900 tonnes per day onsite Air Separation Unit at the ESL Steel Ltd. Bokaro steel works to serve the customers demand for gases for its brownfield expansion and also cater to merchant demand in the region.

Linde India continues its pursuit for profitable growth. On the back of a sharp recovery in the economy in 2021, Linde India has rebounded across key markets and we are confident of sustaining the Rebound.

About Linde.

Linde India Ltd

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

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

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

Linde India has two operating business segments:

- Gases and Related Products
- Project Engineering

33
Operating plants

Rs. **21,120** million
Revenues in FY2021

242
Employees

Our Mission, Vision and Values

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

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

Gases and Related Products

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

We own and operate 33 production facilities and filling stations across the country, including India's largest air separation plant at Jamshedpur. We supply a wide variety of gases and mixtures as well as provide a range of related services equipment, pipelines and associated engineering services catering to the needs of a wide variety of industries. Linde India has the largest sales and distribution network in the country giving us a wide geographic reach and placing us close to our customers in any part of India.

Project Engineering Division (PED)

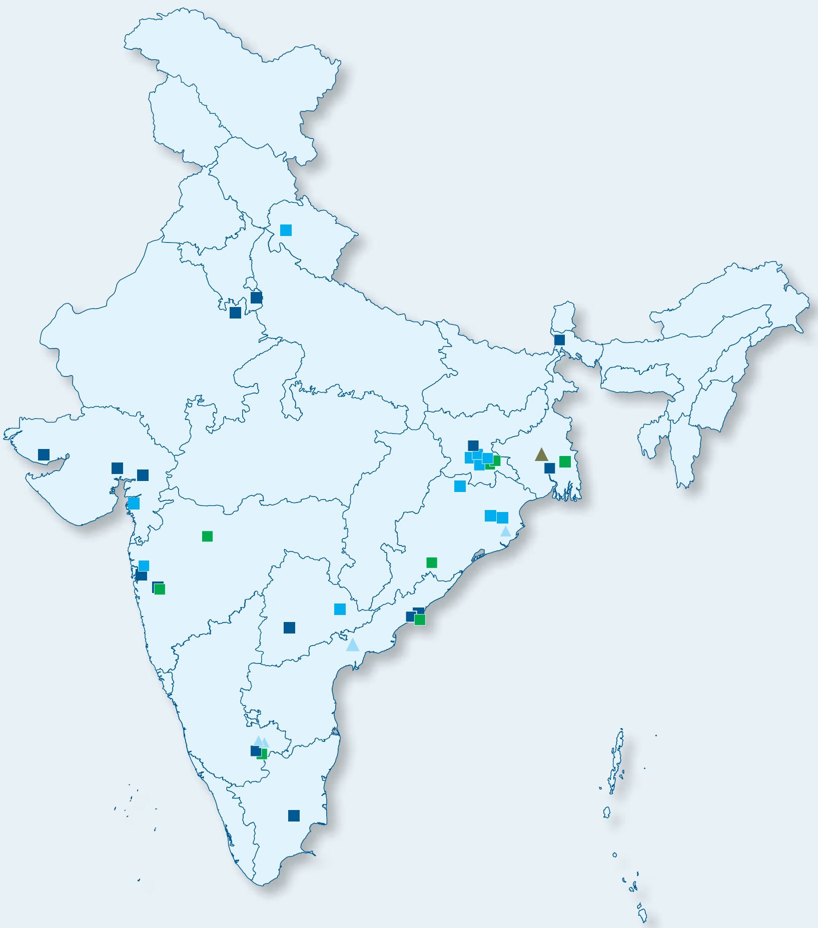
PED comprises the business of designing, supply, installation and commissioning of tonnage air separation units (ASU) of medium to large size, and projects relating to setting up of nitrogen plants, pressure swing adsorption (PSA) plants and gas distribution systems. PED also manufactures cryogenic vessels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

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

Key Products

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

O_2 N_2 Ar He CO_2 Xe Kr



Linde India Geographical Footprint

ASU Sites

Bhadrachalam
Jajpur
Jamshedpur
Rourkela
Selaqui
Taloja
Dahej
Kalinganagar

PGP Sites

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

Small Onsite Plants

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

Other Offices

Bangalore Sales Office
Bangalore Office
Bhubaneshwar Sales Office
Vijayawada, FoodLab

Head Office, Kolkata

Profile of the Board of Directors & KMPs.

Board of Directors

Robert J Hughes
Chairman
[DIN: 08493540]

Born 1962
Bachelor of Science, Chemistry, from Bradford University, UK; Diploma in Management Studies from Hull University, UK

Board Committees

AC NRC

Mr R J Hughes has over 35 years of experience including 32 years of rich experience in senior management roles in BOC and Linde. Mr Hughes was the Head of Regional Business Unit, South and East Asia of The Linde Group from 2015 to 2018, when he successfully led both business growth and turnaround situations.

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

Born 1958
FCA, FCS and FICWA
Bachelor of Commerce

Board Committees

AC C NRC

SRC RMC

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

Abhijit Banerjee
Managing Director
[DIN: 08456907]

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

Board Committees

SRC CSR

RMC

Mr A Banerjee joined Linde India in the year 2009 and was appointed as Managing Director of the Company with effect from 7 June 2019. He has rich experience of about 34 years in manufacturing sector covering design engineering, marketing, project management, business development and strategic account management across reputed companies including deputation for 18 months at Thyssen at Bochum, Germany.

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

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

Board Committees

AC NRC C

SRC C CSR

RMC C

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

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

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

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

Board Committees

AC CSR (C)

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

Mannu Sanganeria
Non-Executive Director
[DIN: 09243027]

Born 1976
B.A., ACA

Ms M Sanaganeria has over 21 years of work experience in Finance & Accounting roles during her stints with BOC and Linde Group. Ms Sanganeria has held leadership roles in areas of Financial Planning & Performance Management in the Linde plc Group. In her present role, she is based at Singapore as Director, M&A in Linde Plc.

RMC Risk Management Committee   (C) Chairman

Key Managerial Personnel

Abhijit Banerjee
Managing Director
[DIN: 08456907]

B.Tech. in Chemical Engineering from IIT, Kharagpur

Mr A Banerjee joined Linde India in the year 2009 and has rich experience of about 34 years in manufacturing sector covering design engineering, marketing, project management, business development and strategic account management across reputed companies including deputation for 18 months at Thyssen at Bochum, Germany.

Pawan Marda
Director - Corporate Affairs & Company Secretary

B.Com. (Hons), ACS

Mr P Marda has gathered rich experience with organisations such as AB Birla Nuvo, Voltas, Rossell Industries and a stint with Hindustan Lever before joining Linde India in 2001. During his career spanning about 35 years, Mr Marda has handled diverse corporate functions such as Accounts and Finance, Legal, Corporate Secretarial, Risk Management, Investor Relations, Corporate Governance, etc.

Anupam Saraf
Chief Financial Officer

B.Com. (Hons.), ACA, CS

Mr A Saraf was appointed CFO at Linde India with effect from 11 November 2020. Mr Saraf gathered rich experience of nearly 21 years within the Linde Group including his first stint at Linde India in various finance roles in Taxation, Internal Audit, Insurance, etc. Mr Saraf thereafter moved to a senior position in treasury function at the regional headquarters in Singapore and also worked as head of Finance and Controlling in Singapore Linde Upgrade Project.

Company Information.*

Board of Directors

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

Director - Corporate Affairs and Company Secretary

Pawan Marda

Chief Financial Officer

Anupam Saraf

Auditors

Statutory Auditors

Deloitte, Haskins & Sells LLP
Firm Registration No. 117366W/W-100018

Secretarial Auditors

P. Sarawagi & Associates
Firm Registration No. S1998WB022800

Cost Auditors

Mani & Co.
Firm Registration No. 000004

Registrar and Transfer Agents

KFin Technologies Pvt.Ltd.
Phone : +91 40-6716 2222
einward.ris@kfintech.com

Bankers

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

Audit Committee

Jyotin Mehta, *Chairman*
Arun Balakrishnan
Robert J Hughes
Shalini Sarin

Stakeholders Relationship Committee

Arun Balakrishnan, *Chairman*
Jyotin Mehta
Abhijit Banerjee

Nomination and Remuneration Committee

Arun Balakrishnan, *Chairman*
Robert J Hughes
Jyotin Mehta

Corporate Social Responsibility Committee

Shalini Sarin, *Chairperson*
Arun Balakrishnan
Abhijit Banerjee

Risk Management Committee

Arun Balakrishnan, Chairman
Jyotin Mehta
Abhijit Banerjee

Registered Office

Linde India Limited
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India
CIN: L40200WB1935PLC008184
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Fax: +91-33-2401 4206
contact.lg.in@linde.com
www.linde.in

*As on 31 December 2021

Sustainability.

As a member of Linde Plc., Linde India Limited endeavours to create economic, environmental and social value in many ways such as well-being of employees, commitment to diversity and inclusion, best in class safety performance, customer centric operations, innovative technologies, focus on reducing GHG emissions, efficient and productive use of resources, commitment to ethics and integrity and strong community engagement programs.

Leading in Sustainability Development

As a member of Linde Plc, we are consistently improving our performance in sustainability development.

Reducing Our Carbon Footprint in Production

We continuously optimize our use of energy and natural resources. We are focused on reducing our CO_2 emissions by improving our plant design, process efficiency and by replacing thermal energy by renewal energy in our operations.

Investing in our Communities

We support communities where we live and work. We hire and source most of our products and services locally. We also actively support our local communities through charitable contributions and employee volunteerism.

Putting Safety First

Our goal is zero incidents, and no harm to people, communities or the environment. We continuously strive to improve our safety performance year on year.

Improving Customers' Environmental Performance

We continuously optimize our use of energy and natural resources and have been replacing thermal energy by renewable energy for our operations and also have technologies, which also improves our customers' environmental performance.

Valuing Employee Diversity

Linde Plc is an industry leader in diversity & inclusion. As a member of Linde Plc, We embrace diversity and inclusion in order to attract, develop and retain the best talent and build high-performing teams.

ESG Snapshots.

At Linde, we are driven to ensure no harm comes from our actions to people, the environment or the communities in which we operate.

Safety & Health

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

Key Health & Safety initiatives during 2021

Health

In 2021, the company focussed on 100% vaccination for all employees, contractors and vehicle drivers and reinforced Covid-19 health principles. The Company also ensured administrative and engineering controls, like business continuity plans, formation of crisis management team, installation of thermal camera at sites, modification of SOPs, return to normal guidelines, etc.

To keep the drivers safe during the second wave of Covid-19, our Company was quick to ensure provision of proper PPE for the crew and diligently followed vehicle and cylinder sanitization protocol to protect them and Deliver team from the risk of any infection.

Safety

Global Safety Commitment Day 2021 was celebrated at all Linde Operating units & project sites on 16th November with the theme of Operating Discipline.

We rolled out the new SHEQ applications for SHE Incident reporting, Quality incident reporting, Documents controls & Behaviour observations.

To strengthen the SHEQ performance, a comprehensive SHEQ Annual Operating plan (AOP) was introduced, covering the area of improvements in Process safety, Distribution safety, Operational Safety, Behavioural & Personnel Safety, Quality & Environmental safety.

Transport Safety

Use of technology helped to a great extent in improving transport safety performance. The Transport Operation Center was upgraded to ensure that any fatigue and distraction events are identified and immediate actions are triggered to prevent any untoward incident. The Company also implemented simulator-based driver training for truck drivers.

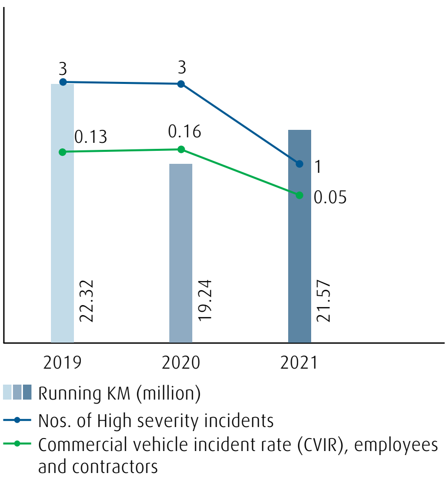
Quality

Implemented harmonized Medical Gas compliance protocol for seamless and robust system management. All drug producing units are brought under the umbrella of Good Manufacturing Practice (GMP).

Implementation of pharmacovigilance system in India aligning it with the Linde Global requirements. This is aimed at improving patient safety in the healthcare business.

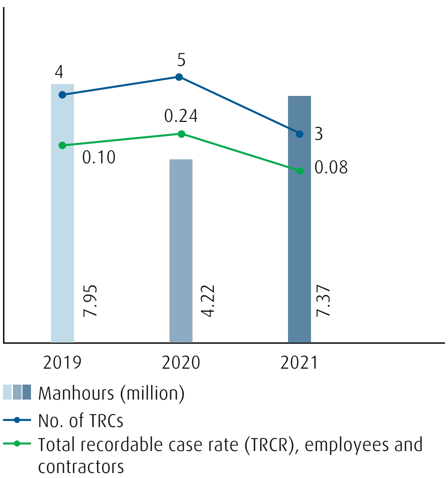
Maintained ISO 10002 & 10004 certification along with the normal ISO IMS Certification involving 9001,14001 & 45001. The NABL Accreditation in accordance with ISO 17025 has also been maintained.

Commercial Vehicle Incident Rate (CVIR), Employees and Contractors



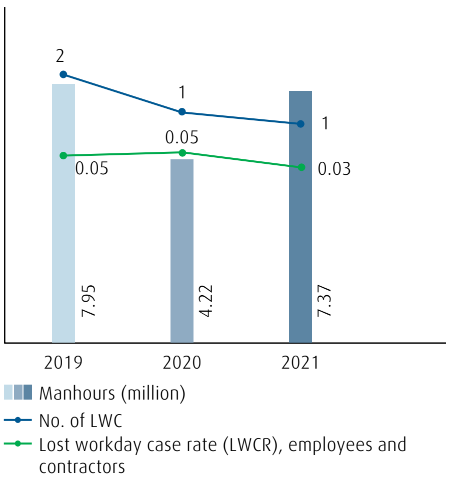
CVIR is an incident frequency rate which is used to measure how often motor vehicle incidents are occurring. It is measured as the No. of incidents per million KM driven.

Total Recordable Case Rate (TRCR), Employees and Contractors



TRCR is defined as the number of work-related injuries per 200,000 hours worked.

Lost Work Day Case Rate (LWCR) Employees and Contractors

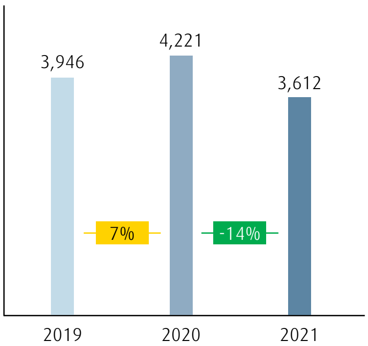


LWCR is a standardized metric that provides a measure of the Total number of incidents related to lost workday case per 200,000 hours worked.

GHG Emissions

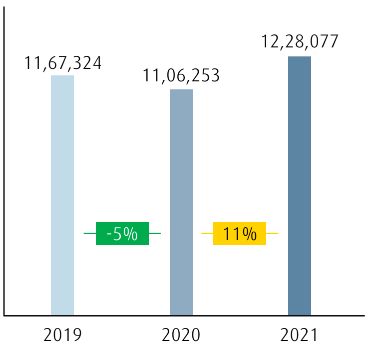
Greenhouse gases, or GHGs, are compound gases that trap heat or longwave radiation in the atmosphere. Their presence in the atmosphere makes the Earth’s surface warmer. The principal GHGs, also known as heat-trapping gases, are carbon dioxide, methane, nitrous oxide and the fluorinated gases.

Scope 1 emissions (MT CO_2e)



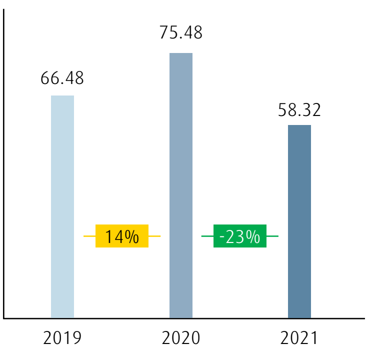
Scope 1 emissions are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization. For Linde India the major source of Scope 1 emissions are from combustion of diesel and LNG.

Scope 2 emissions (MT CO_2e)



Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. The major source of Linde India’s scope 2 emissions are from purchased electricity from the grid.

GHG emission intensity (MT CO_2e/INR million Revenue)

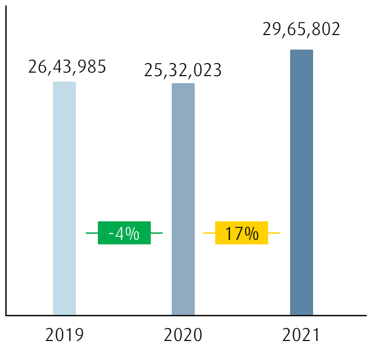


The graph showcases Linde India’s total emissions (Scope 1 & 2) intensity over a 3 year period between FY 2019 to FY 2021.

Water Management

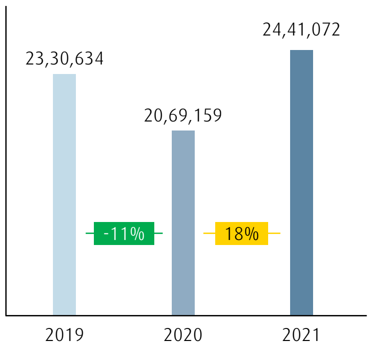
Managing water consumption and discharge-related impacts caused by operations, and associated efforts to reduce absolute and intensity-based consumption, particularly in regions of high-water scarcity.

Total water withdrawal (m^3)



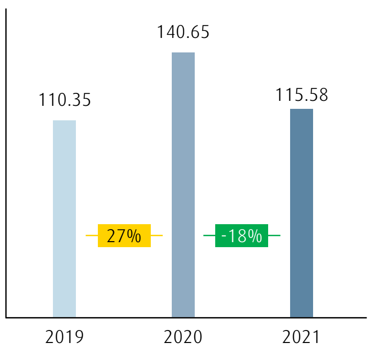
The graph showcases Linde India’s total water withdrawal over a 3 year period between FY 2019 to FY 2021.

Total water consumption (m^3)



The graph showcases Linde India’s total water consumption over a 3 year period between FY 2019 to FY 2021.

Water consumption intensity (m^3/INR million Revenue)



The graph showcases Linde India’s total water consumption intensity over a 3 year period between FY 2019 to FY 2021.

ESG Snapshots.

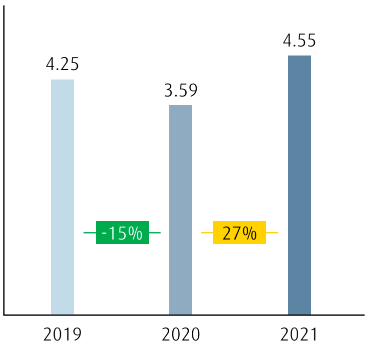
Air Emissions

Air emissions are those gases and solids that come out of the smoke stack after the incineration process.

Hazardous Waste Management

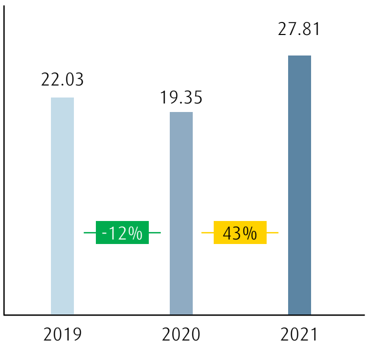
Managing hazardous waste generated as a result of operations, including employing appropriate strategies to reduce waste and maximize recycling and reuse of materials.

Total CO emissions (Kg)



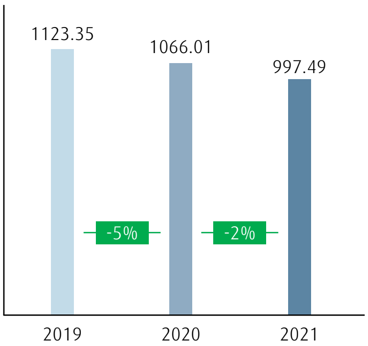
In Linde India, the major source of Carbon Monoxide (CO) emissions is combustion of diesel (in DG sets) and LNG. However, the CO emission is disclosed only for diesel combustion in gensets.

Total hazardous waste (MT)



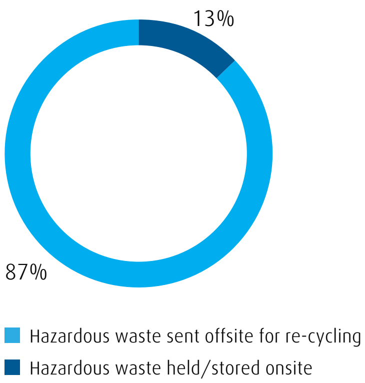
Hazardous waste generated at our sites include slag wool, lube oil, oil soaked cotton etc.

Total NO_x emissions (Kg)



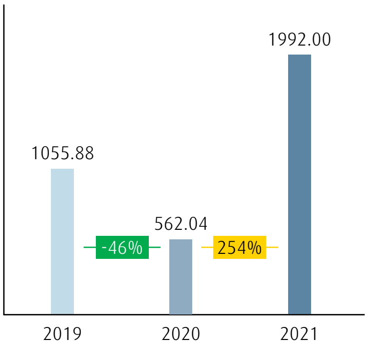
In Linde India, the major source of Nitrogen Oxides (NO_x) is combustion of diesel and LNG.

Hazardous waste on/off-site division (2021) MT



The chart showcases the percentage of hazardous waste disposed off-site against the percentage stored on-site in FY 2021.

Total VOC emissions (Kg)

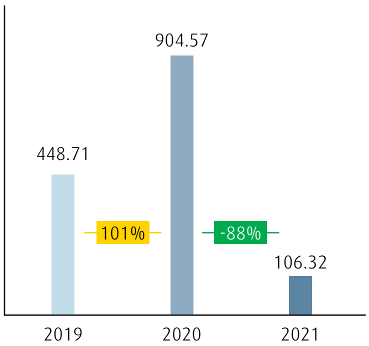


Volatile Organic Compounds (VOCs) are emitted as gases from certain solids or liquids, which has high vapor pressure at room temperature. In Linde India, the major source of VOC emission is paint thinner.

Non-Hazardous Waste Management

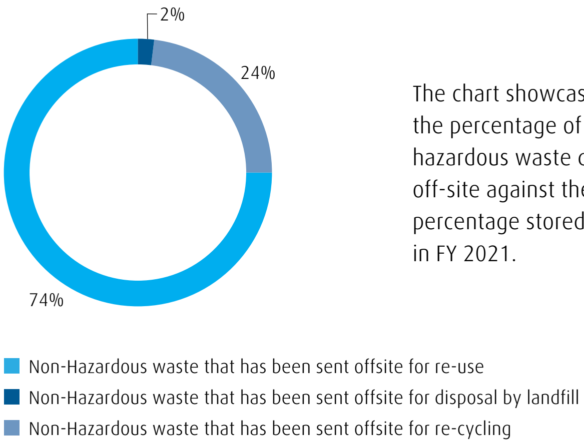
Managing the non-hazardous waste generated as a result of operations, action to reduce waste and maximize recycling.

Total non-hazardous waste (MT)



Non-hazardous waste generated at our Gases, PED and PMW sites include scrap metals (including stainless steel) mild steel scrap, aluminum, wood, perlite, etc.

Non-hazardous waste treatment breakup FY2021 (MT)

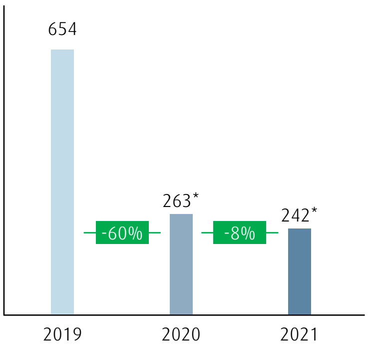


The chart showcases the percentage of non-hazardous waste disposed off-site against the percentage stored on-site in FY 2021.

Our People

Respecting employees' freedom of association and the effective recognition of the right to collective bargaining; elimination of discrimination in respect of employment; maintaining productive relationships with labour unions.

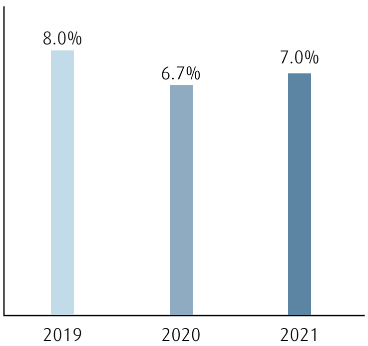
Total employees



The graph showcases Linde India's total number of employees as on 31st December FY 2019, FY 2020 and FY 2021. There has been a decrease of 63% in the number of employees in FY 2021 when compared to FY 2019.

*Reduction in 2020 and 2021 is due to transition of employees to JV company.

Women in workforce (FTEs)



Working towards a diverse representation of people (including by gender and ethnicity) in the workforce, and fostering a culture that is inclusive and free of discrimination to build a sense of belonging among employees of Linde India.

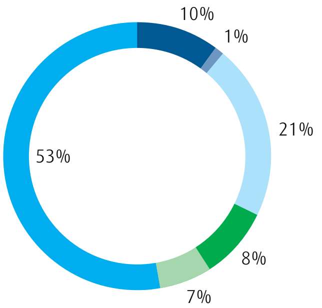
ESG Snapshots.

CSR & Community Engagement

Linde India has been a socially responsible corporate and our core values define the way we operate and create value within the larger society. Linde's core principles and values form the basis of its CSR policy. We are therefore, committed to behave responsibly towards people, society and the environment for inclusive growth of the communities where we operate. Here is a snapshot of some of the CSR projects/initiatives taken up and sustained during 2021.

Rs. **32.58** million
Total CSR Spend in 2021

CSR Thematic area wise spend



The chart showcases thematic area wise break up of Linde India's CSR expenditure in FY 2021.

Community healthcare engagement to reduce C-Section rates

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

124
Frontline workers sensitized on BPCR & labor pain relief technique

250
Pregnant women familiarized with applied relaxation techniques.

1700
Women including family members sensitized on BPCR, and C-section deliveries

Defensive Driver Training

Sponsored by Linde India Limited, the Institute of Road Traffic Education (IRTE) has undertaken the training of Heavy Vehicle Drivers across India. Under this program, the fleet owners have been supported towards building their capacity in "safety and efficiency" of their transportation services.

868
Drivers trained

86
Training wrokshops held during 2021

Restoring mangrove: Tree Plantation at Sundarbans

A large amount of mangrove vegetation was destroyed in Sundarbans area during Cyclones Yaas and Amphan. Linde India partnered with Sandeshkhali Maa Saroda Women & Rural Welfare Society to plant 16,000 mangroves at Sitalia Adibasi Para Ray Mongol riverside of Sandeshkhali-II Block. Besides environmental conservation, this project will also help the livelihood support of the local community.

Project Saksham: Digital Literacy and Sustainability

Project Saksham is Team Linde's initiative of spreading digital literacy among underprivileged and rural communities. It also addresses the issue of e-waste reduction by upgrading digital assets unsuitable for corporate use and redeploying them for this project. The first free computer training centre was set up at Hingalganj, West Benagal in partnership with Sandeshkhali Maa Saroda Women & Rural Welfare Society. Through this project, we aim to cover at least 160 total beneficiaries every year.

Contribution towards education for underprivileged children

Founded in 1992, Disha Foundation has guided hundreds of underprivileged children to the path of success. The children, ranging from 2 to 18 years, are enrolled in the morning Balwadi section, informal afternoon school, and evening tutorial classes. Linde India supports Disha Foundation towards education for underprivileged children/ Balwadi Section, providing nutritious food, etc.

In aid of mother and childcare during Covid: RK Mission OT Theatres

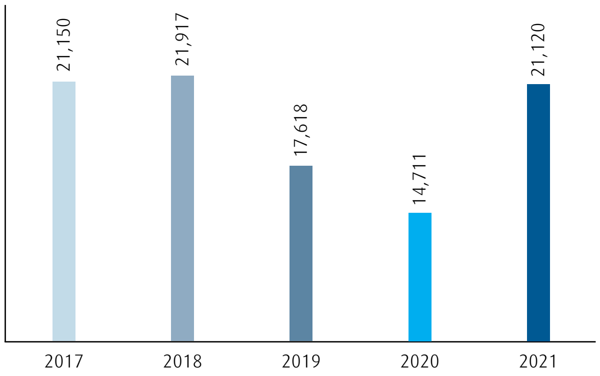
Ramakrishna Sarada Mission, Matri Bhavan is a 100 bedded charitable hospital, serving women & children from the lower socio-economic sections of the society since 1950. During the Covid Pandemic, in order to take full maternity care of the to be mothers, along with emergency situations of either maternal or foetal distress, it was necessary to convert a wing of this hospital into a semi-Covid hospital. Team Linde sponsored the renovation and modernization of two old Operation Theatres into Covid Operation Theatres and the procurement of two multipara monitors.

Supporting the victims of Cyclone Yaas

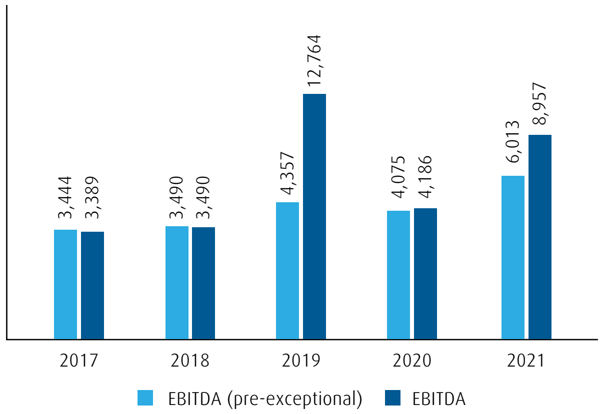
The devastation of Cyclone Yaas left hundreds homeless and without food or shelter in the eastern side of India during the month of May 2021. Team Linde stepped up to the occasion by affiliating with multiple partners to provide aid to the Yaas victims. Linde India partnered with Rotary Club of Calcutta, Victoria to distribute relief materials comprising of Mosquito Net, Floor Mat, Bucket & Mug, Torch with batteries, umbrella, dry rations, Zeoline, etc. at Jorabartalla, Hingalgunj, amongst 130 families. Linde India also partnered with Turnstone Global to serve 3 meals a day and drinking water for 30 days to 500 Yaas victims in the Sundarbans area.

Financial Performance (Standalone).

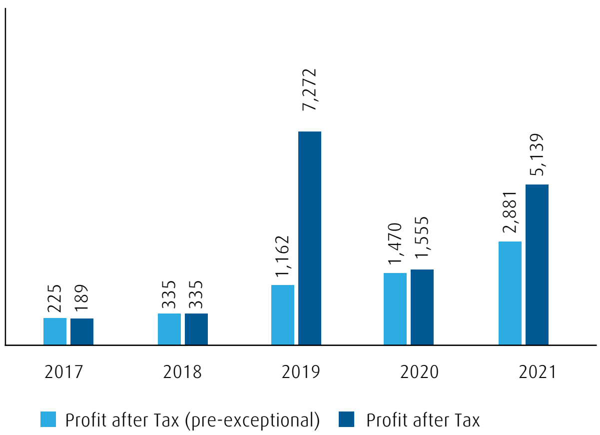
Revenue from operations



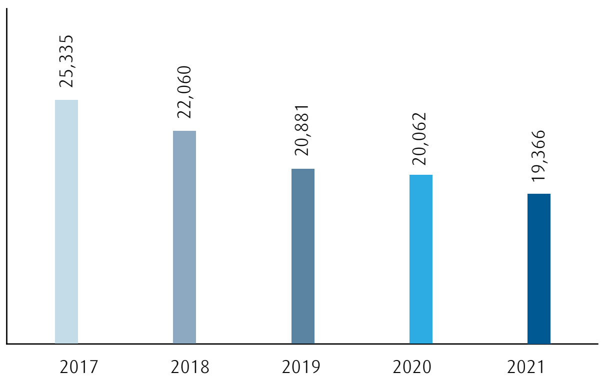
EBITDA



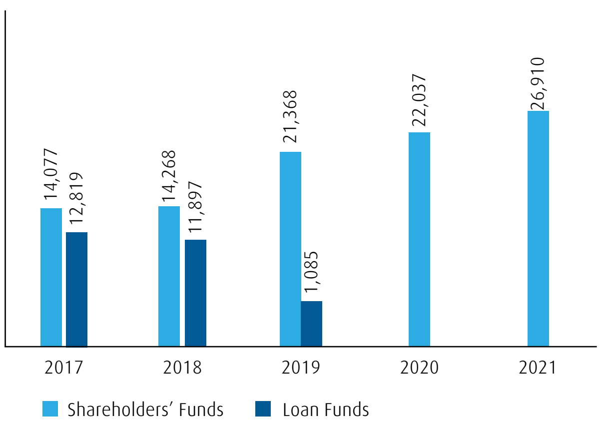
Profit after Tax



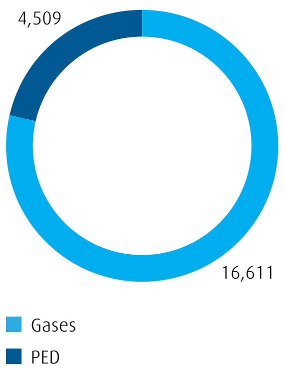
Fixed Assets (Net Block)



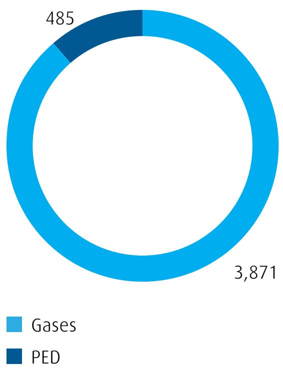
Capital employed



Segment-wise Sales 2021



Segment-wise profit 2021



Directors' Report and Management Discussion and Analysis.

The Directors have pleasure in submitting their Report together with the Audited Financial Statements of your Company for the year ended 31 December 2021:

The Company's standalone financial performance for the year ended 31 December 2021 is summarized below:

In Rupees million	Year Ended 31 Dec. 2021	Year Ended 31 Dec. 2020
Revenue from operations	21,119.58	14,711.24
Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA)	6,012.51	4,074.85
Less: Depreciation and amortisation expense (including impairment)	1,813.67	1,760.00
Earnings before interest and tax (EBIT)	4,198.84	2,314.85
Less: Finance cost	30.54	62.43
Profit before tax (PBT) before exceptional item	4,168.30	2,252.42
Add: Exceptional items	2,944.26	111.48
Profit before tax (PBT) after exceptional item	7,112.56	2,363.90
Tax expenses	1,973.12	808.55
Net Profit for the year (after tax) (A)	5,139.44	1,555.35
Total Other Comprehensive Income for the year (B)	(10.57)	(16.95)
Total Comprehensive Income for the year (C)=(A) +(B)	5,128.87	1,538.40
Movement in Equity		
Retained earnings opening balance brought forward	13,215.88	12,547.17
Add: Net Profit for the year	5,139.44	1,555.35
Less: Other comprehensive income recognised in retained earnings (net of taxes)	(13.22)	(17.05)
Less: Ind AS 116	-	(16.71)
Profit available for appropriation (D)	18,342.10	14,068.76
Appropriations: Dividend on Equity share paid during the year# (E)	(255.85)	(852.88)
Retained earnings closing balance carried forward (F)= (D)-(E)	18,086.25	13,215.88

#Pertains to dividend for the financial year 2020 @ 30% (Previous year @ 100% for the financial year 2019) on 85,284,223 equity shares of Rs.10 each

Financial Performance 2021

Your Company clocked total revenues from operations of Rs. 21,120 million during the financial year 2021 as compared to Rs. 14,711 million achieved in the previous year, recording a growth of 43.6% as compared to 2020. While the Gases revenues grew by 38.4% from Rs.12,001 million in the year 2020 to Rs.16,611 million during the year under review, the revenues of the Project Engineering Division recorded a stupendous growth of about 66.4% during the year under review, which rose from Rs. 2,710 million during the financial year 2020 to Rs.4,509 million in the year 2021.

The growth in the Gases revenues during the year 2021 was mainly driven by liquid and compressed medical oxygen during the 2nd quarter due to significant surge in demand during the 2nd wave of Covid-19. This huge spike in demand tapered off during the subsequent quarters and was replaced by other industrial gases including higher volumes of argon, helium and special gases.

On the other hand, the growth in the Project Engineering business was driven by higher revenues on the back of strong performance of the engineering business across steel and refinery sectors and also on account of lower revenues billed in 2020, which was largely due to prolonged countrywide lockdown during the year 2020. You will recall that this had caused disruption in almost all project sites in the previous year resulting in deferment of revenues.

During the year under review, your Company achieved earnings before interest, depreciation and amortisation (EBITDA) of Rs. 6,013 million for the year 2021 as compared to Rs. 4,075 million in the previous year. This increase in the operating profit vis-a-vis 2020 was mainly due to reopening of the economy in the year under review and huge demand of liquid oxygen across the country. During the year, the onsite revenues were higher on the back of significant demand for gases from customers mainly Tata Steel, SAIL and Jindal Stainless. The bulk volumes were higher for all the three products, viz. oxygen, nitrogen and argon. The Packaged Gases business, especially argon volumes were higher as well. Beside higher revenues, pricing initiatives and productivity savings from plant load optimization and operations as well as distribution efficiencies contributed to higher EBITDA in the Gases business. The PED business also contributed to higher operating profits as a result of significantly higher billings as compared to 2020. The EBITDA was further boosted by reduction of fixed costs and higher dividend income received from Bellary Oxygen, the Joint Venture company.

During the year, as a result of surplus cash, the Company earned an interest income of Rs. 189 million, as against Rs.68 million in the year

2020. The depreciation for the year 2021 stood at Rs. 1,814 million, which was marginally higher as compared to Rs. 1,760 million charged during the year 2020.

Profit before tax (PBT) before exceptional item amounted to Rs. 4,168 million, which is significantly higher as compared to Rs.2,252 million in the previous year. Your Company's total Profit before tax for the year 2021 stood at Rs.7,113 million and Profit after tax for the year under review amounted to Rs. 5,139 million, as compared to Rs.1,555 million for the year 2020, which was after considering exceptional profit of Rs. 2,944 million from sale of Kolkata land.

Dividend

Your Board has recommended a dividend of 135% (Rs.13.50 per equity share) on 85,284,223 equity shares of Rs.10.00 each in the Company for the year 2021, as against a dividend of 30% (Rs.3.00 per equity share) for the year ended 31 December 2020. This comprises of a normal dividend of 35% (Rs.3.50 per equity share) and a special dividend of 100% (Rs. 10.00 per equity share) in view of the exceptional income earned by the Company from disposal of closed factory land at Kolkata during the year under review.

The Board's recommendation for dividend has been made after considering the sustainability of the operating performance and cash flow position of the Company and is in line with its Dividend Distribution Policy. The dividend is subject to the approval of the shareholders at the ensuing 86th Annual General Meeting scheduled to be held on Thursday, 23 June 2022 and will be paid to the Members whose names appear in the Register of Members on the date of the Book Closure fixed for this purpose. This dividend will result in cash outgo of Rs. 1,151.34 million as compared to Rs. 255.85 million in the previous year. The dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. Your Company shall, accordingly, make the payment of the Dividend after deduction of tax at source as per the provisions of the Income Tax Act, 1961.

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

The Dividend Distribution Policy is annexed to this report and is also available on the Company's website at www.linde.in. [Annexure 1]

Update on Belloxy Divestment Business

As informed in the previous year, in view of the inability of Inox Air Products Pvt. Ltd. to acquire the Belloxy Divestment Business, the Hon'ble Competition Commission of India (CCI) directed the extension of the "Hold Separate arrangement" for the balance tenure of the Gas Supply Agreement up to 14 November 2021. During the year 2021, the Company's joint venture, Bellary Oxygen Company Private Ltd. accepted JSW Steel Ltd.'s offer for purchase of the 855 tonnes per day Air Separation Unit and other related assets owned by it, which formed part of the Belloxy Divestment. On the expiry of the gas supply contract with JSW Steel Ltd. on 14 November 2021, Bellary Oxygen Company Private Ltd. signed and executed the Asset Sale Agreement with JSW Steel Ltd. and has received the consideration amount of Rs. 500 million for the transaction. The joint venture company has since handed over possession of the 855 tpd ASU and other related assets to JSW Steel Ltd. As a consequence of the above, the Hold Separate Arrangement in respect of the Belloxy Divestment came to an end. The Company thereafter filed a closure report of the Belloxy Divestment Business with CCI. The CCI in its order dated 1 February 2022 took note of the closure report and has directed the parties for informing about the liquidation of the aforesaid joint venture company.

Consolidated Financial Statements

Although the Company does not have any subsidiary, as per the requirement of Section 129(3) of the Companies Act, 2013 and the applicable Indian Accounting Standard 110 issued by the Institute of Chartered Accountants of India, your Company has prepared consolidated financial statements for the year ended 31 December 2021 together with its joint venture companies, viz. Bellary Oxygen Company Private Ltd. and Linde South Asia Services Private Ltd. (earlier known as LSAS Services Private Ltd.) The said consolidated financial statements of the Company form part of the annual report. However, since the Company does not have a subsidiary, the compliance under Section 136 about separate financial statements do not apply to it.

Details of Joint Venture Companies

As on 31 December 2021, the Company had two joint ventures, whose details are provided below:

Bellary Oxygen Company Private Ltd.

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

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

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

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

Business Segments

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

Gases and Related Products

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

Industry Update

The year 2021 started on a promising note with an increasing pace in vaccinations and the lifting of the countrywide lockdowns imposed during the first wave of the pandemic, which affected both the global and the Indian economy. While the economic trajectory was getting back on the growth track, the second wave of the pandemic struck with an unprecedented magnitude and had an exponential spread.

As per the Ministry of Statistics and Program, the manufacturing industry grew by 5.5% in Q2 2021 after making a successful recovery of 49.6% in Q1 2021 following a severe drop of 39.3% in the previous year. Similarly, demand for electricity, gas, water supply, and other utility services also recovered, with 14.43% growth in Q1 2021 and 8.9% growth in Q2 2021. In both Q1 and Q2, the agriculture, forestry, and fishing industries expanded at a consistent rate of 4.5% in 2021. Hotels, transportation, communication, and broadcasting services all had strong recovery, with a growth of 34.3% in Q1 and 8.2% in Q2 2021. The construction industry rebounded from 50.3% in Q1 last year to grow at a rate of 68.3% in Q1 and 7.5% in Q2 in 2021.

Though the impact of the second wave of the Covid pandemic was less severe on the economy as compared to the first wave, the industrial activity was still 17% below pre-Covid levels (as per data of September 2021). This has impacted India's ambitious goal to become a USD 5 trillion economy by 2025. As per recent estimates, the Indian economy is likely to record a GDP growth of over 9% in the current fiscal, which is the highest among large economies. The Union Budget 2022-23 proposals are focused on growth that includes highways, additional allocation of production linked incentives, increased public capital expenditure outlay to Rs.7.50 lakh crore, etc. which augur well for the manufacturing sector.

Steel sector: As of September 2021, India was the world's second-largest producer of steel with the production of crude steel and finished steel at 102.49 million tonnes and 94.66 million tonnes respectively. On the back of rising customer demand, crude steel production in India is estimated to increase by 18%, to reach 120 million tonnes in FY 2022. The steel sector has been a major contributor to the manufacturing output of the country and continues to play a crucial role in the nation's journey towards becoming a USD 5 trillion economy by 2025. Steel companies are looking to restart expansion projects to the tune of 29 million tonnes driven by upturn in the steel industry. Exports and imports of finished steel stood at 7.75 million tonnes and 2.37 million tonnes, respectively, in FY 2022 (until September 2021). Introduction of favorable policies such as the National Steel Policy 2017 allowing 100% FDI in the sector, the Steel Scrap Recycling Policy 2019 aiming to reduce import, the infrastructure-focused Union Budget, etc. continue to augur well for this sector. As per the National Steel Policy 2017, the Government of India envisages 300 million tonnes of steel making capacity by 2030-31.

Automotive sector: The year 2021 was a difficult year for the automobile industry as it faced multiple headwinds from ongoing chip shortage, rising input costs, and high fuel prices impacting consumer demand. However, Indian automobile exports between April- November 2021 also saw a growth of 62% as compared to the similar period of 2020, which was led by the Passenger Vehicles and Two-wheeler segment.

The Government of India has encouraged 100% Foreign Direct Investment (FDI) in the automobile sector. The Union government added several advanced technologies like alternate fuel systems such as compressed natural gas (CNG), Bharat Stage VI compliant flex-fuel engines, electronic control units (ECU) for safety, advanced driver assist systems, and e-quadricycles, under the production-linked incentive (PLI) scheme for the automobiles. The objective of the scheme is to enhance the manufacturing capability of the automobile sector.

Application Technologies: The application led gases business continues to remain in focus. Some of the success stories of 2021 in this area have been decarbonization and fuel saving efforts in glass, frit and secondary copper segments. The Company has been making efforts in securing more customers in food and beverage segment including food freezing and spice grinding businesses. Besides, application growth in steel and manufacturing industry continues to remain strong as in earlier years. Efforts are ongoing for securing gas application sales in waste water treatment, lake rejuvenation, pharmaceutical, heat treatment, etc.

Crude oil prices: With crude oil prices at a seven-year high, the Indian economy was severely impacted, particularly in terms of inflation and weaking of Indian rupee against US Dollar. Rising crude prices may however, shift industrial consumer preferences towards more energy-efficient solutions.

Gases Performance

The onsite business witnessed robust growth in volumes of oxygen and nitrogen from all steel customers, primarily SAIL, Tata Steel and Jindal Stainless, which was notwithstanding these customers agreeing to reduce their oxygen off take to meet the huge demand for medical oxygen in the country to combat Covid-19. In order to cater to strong demand for gases from Tata Steel, the Company entered into an agreement for supply of additional gases from IGD plants at Jamshedpur. In its pursuit of profitable growth, the Company has recently won an order from ESL Steel Ltd., a Vedanta Group Company and is in the process of construction of a 900 tpd air separation unit at their Bokaro steel works. The Company is also setting up an onsite nitrogen plant at the Indian Acrylics Ltd., acrylic fibre works at Sangrur in Punjab.

The Merchant and Packaged Gases business also witnessed good growth with the bulk business achieving a substantial growth of 66% in revenues as compared to 2020. This was mainly driven by significantly higher volumes of oxygen and argon to customers in diverse industry segments such as steel, metallurgy, automotive, chemicals, manufacturing, fabrication, etc. The pricing actions undertaken during the year also contributed to better performance. There was also higher demand from distributor and resellers. The packaged gases business comprising of compressed oxygen, nitrogen, argon and argon mixtures such as Argoshield performed well, recording revenue growth of about 40% as compared to 2020.

The healthcare gases business during the year under review was spearheaded by medical oxygen both in liquid and compressed form. Healthcare business revenues grew by about 45% over 2020, mainly driven by higher oxygen sales during the second wave of Covid-19 pandemic in 2021. Applying all the learnings from the first wave of the Covid-19 pandemic, the Company pulled out all stops to supply medical oxygen across India during the second wave. The Company led from the front during the crisis resulting from second wave of Covid-19 by ramping up medical oxygen production up to 1,700 tpd and increasing distribution capacity by conversion of liquid argon and liquid nitrogen tankers to liquid medical oxygen service as well as conversion of inert gas cylinders and Portable Cryogenic Containers to Medical Oxygen service. The Company worked closely with Central and various State governments and Statutory bodies to monitor and make oxygen supply available where it was needed, leveraging technology to optimize logistic networks. The Company got robust support from the Government of India, Indian Air Force and Navy to import over 70 nos. of 20 tonnes ISO containers for long-distance transport of Liquid Medical Oxygen in collaboration with other industry partners such as Tata Steel, ITC and the Adani Group. With the support of Indian Railways, the Company was able to fast-track Liquid Medical Oxygen deliveries using the ISO containers, which was further aided by Indian Air Force transport planes, which enabled air freight of empty tankers drastically reducing transit time in supply of medical oxygen across the country. In the later part of the year, the Company also exported medical oxygen to Bangladesh to help mitigate their oxygen deficit.

The Special Gases and chemicals mainly comprise of high purity pure gases and helium, helium mixtures, electronic gases, calibration gases, and rare gases such as neon, krypton, xenon, and gaseous chemicals. Despite initial supply chain issues due to Covid, the special gases revenues recorded robust growth of over 50% as compared to 2020. This was mainly driven by higher volumes in helium and price increases in rare gases. The demand for the special gases is driven by photovoltaic solar, lighting, optic fibre and healthcare sectors, among others.

In 2021, Linde India has invested in new products like Pressure Swing Adsorption (PSA) plants for Healthcare. Various sites for Minibulk filling were deployed for capability development to tap newer customer segments. Also, various digitalization initiatives were undertaken for improving the ease of doing business. The Company focused on geographical densification in Western India through the acquisition of business of HPS Gases to augment the packaged gases capability. Your Compnay is also making investment for a new ASU in Dahej to tap into the growth markets in this region. The Company is also setting up a new ASU in Ludhiana for catering to growing demand in that region.

Customer Experience

Linde India Gases business is committed to providing best-in-class Customer Experience (CX) in the industry. As a critical step in this direction, the Company measures KPIs for query/complaint resolution process and impact of the CX program by taking customer feedback via Customer survey for various CX metrics.

In 2021, the Company conducted a pan-India Customer Experience Survey across its various businesses to measure CX. It is an encouraging fact for us that the Customer Effort Score (CES) improved by 3% and Net Promoter Score (NPS) by 10% over 2019 survey scores for its MPG business. The NPS score of the Company was recorded at 41 which fares much better when benchmarked against the manufacturing industry.

Linde India Gases business was audited for ISO 10002:2018 & ISO 10004:2018 compliance for its Customer Experience program in December 2021. This was the third year in a row for the Company to have successfully completed this audit for renewal of the certificate. The Company is also focused on digitalizing various aspects of the CX program with the aim of enhancing “ease of doing business” for customers.

Project Engineering

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

The order intake during the year 2021 was to the tune of Rs. 5,026 million. This includes export order of 2 cold boxes for 100 tpd ASU (LION 2) each received from Linde Engineering, Munich for their ASU project in Egypt. Apart from this, PED also received order worth Rs. 1,234 million for 250 tpd merchant ASU at Dahej Gujarat for Linde Gas division. Some of the major orders received by the Division during 2021 were from refineries, steel and mining sectors such as 150 tpd N_2 plant from Technip for their Nyara Refinery project, 160 tpd N_2 plant from JSW for their works at Vasind, 900 Nm3/hr. N_2 generator with LOX production from Mundra Solar Energy Ltd., 120 tpd Low purity O_2 VPSA from Sesa Goa Ltd, 2 x cold boxes for 100 tpd ASU (LION 2) received from Linde Engineering, Munich for their ASU project at Giza, Egypt, 120 tpd Low purity O_2 VPSA from Group company Praxair India Pvt. Ltd. for their Scott Glass Project at Jambusar, Gujarat and 250 tpd Merchant ASU from Praxair India Pvt. Ltd. at Sricity in Tamil Nadu.

During the year under review, in somewhat challenging working conditions due to Covid-19, the Division successfully commissioned several projects, which included compressed air and nitrogen plant package for HPCL Mumbai Refinery, HMEL Bhatinda nitrogen plant chain-1, BORL oxygen VPSA, KIC Metalick Durgapur oxygen VPSA, JSW Vasind N_2 & H_2 plant and Meghana ghat 100 tpd ASU.

The Division is presently executing several projects, which include compressed air and nitrogen plants at JPCL Vizag refinery, APL Assam refinery, MRPL refinery, Air separation unit at IOCL Paradeep, compressed air and nitrogen plants at HPCL Rajasthan Refinery and IOCL Dumad.

As on 31 December 2021, the order book position of PED for third party projects was about Rs.11,100 million.

Opportunities

The infrastructure sector has become one of the biggest focus areas for the Government of India, which has plans to spend USD 1.4 trillion on infrastructure during 2019-23. The Government is eyeing an investment of Rs. 50 Lakh Crore (USD 750 billion) for railways infrastructure from 2018-30. Infrastructure accounts for 25-30% of steel consumption and is thus expected to boost steel demand in the coming years.

The growth potential of the Automotive segment and the production of electric vehicles is another promising opportunity in the years to come. Under the Government's Rs. 4,500 crore Production Linked Incentive (PLI) scheme, the Indian Renewable Energy Development Agency Ltd. (IREDA) has requested bids from solar module manufacturers for the establishment of solar manufacturing units. Linde's expertise in delivering solutions for the photovoltaic cell is expected to benefit from the focus on solar as an important source of renewable energy.

Higher infrastructure allocations – 34.9% in roads, 8.7% in metros, and 33.6% in railways in FY 2022 budget estimates along with the 'PM Gati Shakti - National Master Plan (NMP)' for multi-modal connectivity, AMRUT, Smart Cities Mission and Swachh Bharat Mission are expected to boost cement demand. This surge in cement demand along with the increased focus on low carbon cement through the process of carbon capture and utilization will boost demand for both Oxygen and CO_2. The Government of India is also focusing on manufacturing of semi conductor in the country. The Government also approved a PLI program of Rs. 18,000 crores (USD 2.47 billion) for advanced chemical cell battery manufacture, which will attract investments, expand capacity in core component technologies and position India as a worldwide hub for clean energy. Such incentives will have a positive impact on the Industrial Gases industry, as the demand for various gases used in semiconductor fabrication will rise.

Steel majors are setting up new steel plants, increasing their capacity, and expanding their operations in different parts of India. 'Mission Purvodaya' was launched to accelerate the development of the eastern states of India (Odisha, Jharkhand, Chhattisgarh, West Bengal and the northern part of Andhra Pradesh) through the establishment of an integrated steel hub in Kolkata. This will result in increased demand for Oxygen, Nitrogen, Argon, etc. , which can become a great opportunity for Linde India.

India's food processing sector is expected to reach USD 535 billion by 2025-26. The Government has proposed 41 mega food parks and 325 cold chain projects to develop the food processing supply chain. Linde India with a dedicated food lab at Vijayawada, has various capabilities in the areas of shrimp freezing, fish glazing, waste-water treatment, etc., and is positive about growth in the F&B sector.

In terms of revenue & employment, Healthcare has become one of India's largest sectors. The industry is growing at a tremendous pace owing to its strengthening coverage, services and increasing expenditure by public as well as private players. By 2022, the hospital industry size is estimated to touch USD 372 billion from USD 193.83 billion in 2020. At Linde, we remain very optimistic about the Healthcare sector and will continue to maintain the focus it deserves.

India's public expenditure on healthcare stood at 1.2% as a percentage of the GDP. The Government of India approved the continuation of the 'National Health Mission' with a budget of Rs. 37,130 crores (USD 5.10 billion) under the Union Budget 2021-22. PM Ayushman Bharat Health Infrastructure Mission in the next 4-5 years is also expected to improve demand for medical gases.

The Company is also setting up O_2 PSA plants at hospitals on hire and O&M model on long term contract basis, which continues to provide opportunity for the healthcare business. The ongoing expansion in refineries and steel sector continues to create opportunities in the Project Engineering Division.

Threats

At the macro-economic level, the ongoing global semiconductor shortage is impacting the automotive and white goods output despite pent-up customer demand leading to lower gas consumption. While the third wave of Covid-19 did not cause any meaningful disruption, Covid -19 situation and potential future waves remain a risk in the near future. Authorisation by the Government of India to a number of smaller oxygen manufacturers since 2020 to mitigate the surge in demand for medical oxygen during the pandemic has led to more players in this segment, though this does not appear to be a substantial threat. The geo-political tensions may also pose some challenges to the global growth in the near future. Supply chain disruptions and rising inflation and commodity prices may impact certain end user industry segments and could have a short to medium-term impact. Some of the risks covered under the Risk Management section such as aggressive competitive activity and large investments by the competition across geographies, risk of cyber-attacks, etc. may also be considered as threats in short to medium term.

Risk Management

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

Your Board of Directors provides an oversight of the risk management process in the Company and reviews the progress of the action plans for the identified key risks with a distinct focus on top 5 key risks on a quarterly basis. The Risk Management Committee of the Board of Directors of the Company had appointed Mr Pawan Marda, Director – Corporate Affairs and Company Secretary as the Chief Risk Officer of the Company w.e.f. 12 November 2021.

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

Finance

During the year 2021, your Company received a sum of Rs. 2,500 million as full and final consideration to complete the transaction for sale of its factory land at Kolkata. The Company has parked its surplus cash of Rs. 8,772 million in term deposits with Banks to earn interest thereon.

As on 31 December 2021, your Company had 'zero' outstanding borrowing.

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

Credit Rating

The Company's total bank facilities - both fund-based and non-fund based were rated by CRISIL, which had reaffirmed its long-term credit rating of CRISIL AA with Stable outlook for the aforesaid facilities. The rating denotes high degree of safety regarding timely servicing of financial obligations. During the year, your Company decided to voluntarily withdraw the credit ratings with effect from 1 August 2021 in view of 'zero' borrowings from any banks.

Large Corporates Disclosure for Fund raising through Debt securities

As on 31 December 2021, your Company did not have any long-term borrowing. As a result of the same, your Company does not meet the criteria specified by SEBI for large corporates for fund raising through debt securities.

Deposits

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

Significant and Material Orders passed by the Regulators or Courts

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

Insolvency and Bankruptcy Code, 2016

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

Particulars of loans, guarantees or investments

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

Investor Education and Protection Fund

During the year under review, your Company transferred the 59th unpaid/ unclaimed dividend amount of Rs.0.66 million pertaining to the financial year ended 31 December 2013 to the Investor Education and Protection Fund in compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013. In compliance with these provisions read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, your Company also transferred 12,351 shares held by 124 shareholders to the Demat Account of the IEPF Authority on 20 and 24 July 2021, in respect of which dividend had remained unpaid/unclaimed for a consecutive period of 7 years. More information in this regard is provided in the Corporate Governance Report.

Safety, Health, Environment and Quality (SHEQ)

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

The 2nd wave of Covid-19 pandemic posed one of the biggest challenges for our operations and distribution team was to ensure un-interrupted supplies of medical oxygen to the hospitals and maintaining safety of people at our sites as well as our distribution partners. The Company came with Covid-19 Health principles with the required focus on people's health at workplace and accordingly various safety precautionary measures were implemented across the sites with the help of administrative & engineering controls like business continuity plan, formation of crisis management team, return to normal guidelines, modification of standard operating procedures, installation of thermal camera at sites, etc.

Global Safety Commitment Day 2021 was celebrated at all Linde operating sites as well as project sites on 16 November 2021 with theme of Operating Discipline. The objective is to spend time with our colleagues to discuss on six pillars of Operating Discipline, which helps to create a good safety culture at workplace. During the year, your Company also ran the Safety campaigns on Life Saving rules and Contractor Management & Elevated work.

Your Company encourages site teams for increased reporting of near-miss & Process safety Tier-3 events, which helps to direct our safety actions based on the leading indicators. Also, a process has been established for weekly review of all high-risk potential near misses by the Leadership team for improving focus on this area.

To strengthen the SHEQ performance, a comprehensive SHEQ Annual Operating plan was introduced, covering the area of improvements in Process Safety, Distribution Safety, Operational Safety, Behavioral & Personnel Safety, Quality & Environmental Safety. Even in the difficult times of Covid-19, all the functional teams worked hard to complete the actions relating to SHEQ Annual Operating Plan. Due to restriction of travel, we introduced the virtual audit & assessment, communication session, training & campaigns to keep our regular focus on safety compliance.

Use of technology helped to a great extent in improving Transport safety performance. Your Company made use of Simulator based driver training, driver risk profiling, in-cab cameras in all the vehicles for monitoring transport safety and provide feedback to the teams. These actions have resulted in reduced transport related incidents in the Company.

Transport Safety however, remains a challenge area and the Company has given high priority to this with a view to overcome and mitigate the safety risks involved in distribution of products. Taking the safety journey forward, we have upgraded the Transport Operation Center to ensure any fatigue and distraction events are identified and immediate actions are triggered to prevent any safety incident. All our bulk vehicles and PGP vehicles are equipped with 6 sets of cameras including one Fatigue & Distraction device and the entire journey is now captured though Digital Video Recorder from all angles, which is being reviewed and used for driver training, understand driver behavior, incident analysis, etc. Entire driver risk profiling is now being managed digitally with minimum manual inputs and the same forms the basis for driver reward mechanism.

Human Resources

In Human resources function, the focus areas for 2021 were employee engagement, talent development and diversity and inclusion.

To help employees cope with the work from home situation and the disastrous second wave of Covid-19, we organized monthly virtual engagement initiatives, which also had participation from family members. Apart from these, the HR business partners connected with employees to understand their concerns and reach out to those working from sites.

Robust succession planning upto one level below the functional head was undertaken. Along with that we also focused on preparing individual development plans for senior managers. We also introduced the assessment centre approach for deciding on promotable talent to the next level. Learning and Development continued in the virtual mode by making use of the online learning platform.

With increased focus on diversity, we aligned it with our hiring strategy by identifying diversity exclusive roles and mandatorily evaluating diversity profiles for various vacancies.

In our constant endeavour to maintain harmonious Industrial Relations, two major Long Term Settlements were successfully executed for West Bengal and Jamshedpur Units. Through meaningful engagement with the Unions, significant productivity increase has also been achieved while agreeing on revised wage benefits.

Compliance remain our key focus area and vendor compliance was specifically targeted for considerable improvement in compliance scores.

The Company had harmonious employee relations across all its plants and offices in India. As on 31 December 2021, the total manpower strength was 242. The reduction in the employees on the rolls of the Company is due to transition of employees to Linde South Asia Services in line with the organisation structure of the Company.

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

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

During the year 2021, no complaint alleging sexual harassment was received by the Company. As a preventive measure and to create awareness in this area, the Company has been conducting refresher programs for all permanent and contractual employees.

Prescribed Particulars of remuneration

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

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement containing the names and other prescribed particulars of top 10 employees in terms of remuneration drawn and that of every employee, who if employed throughout the year ended 31 December 2021 was in receipt of remuneration aggregating to not less than Rs. 10.20 million; and if employed for part of the said year, was in receipt of remuneration not less than Rs.0.85 million per month is annexed to and forms part of this Report. However, having regard to the provisions to the first proviso of Section 136(1) of the Companies Act, 2013, the Annual Report is being sent to all the Members of the Company excluding this information. The aforesaid statement is available for inspection by shareholders at the Registered Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. Any shareholder interested in obtaining a copy of the said information may write to the Company Secretary at the Registered Office of the Company and the same will be furnished on request and the said information is also available on the website of the Company. None of the employees is covered under Rule 5(3)(viii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended.

Corporate Social Responsibility (CSR)

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

Some of the CSR projects/initiatives taken up/sustained during the year under review included expenditure for education of underprivileged children in Yelahanka in Karnataka, Udaipur, Kolkata, Jamshedpur, etc., providing education and other support for blind children in Rourkela. Further, as a part of its endeavour to support disaster relief during the Covid-19 pandemic, the Company made a contribution through Ramakrishna Sarda Mission towards renovation & revamping of operation theatres into covid operation theatres and donation of multipara patient monitors to Sarada Matri Mandir Bhawan, Kolkata, extended online doctor support, supply of essential medicines, facility of ICU, Covid-19 testing, food and health supplies etc. at various locations in India through Give India Foundation. Other such initiatives towards disaster relief included contribution towards relief work for Yaas cyclone. The Company also had two ongoing projects which included Defensive driver training for drivers of heavy vehicles at several locations including Gurugram, Delhi, Jaipur, Mumbai and Hyderabad for making the highways safer and training program for mid-wives in Jajpur for reduction of C-section deliveries. The total spend on CSR during the year amounted to Rs.32.58 million on various CSR projects/activities as above, inclusive of the carry forward amount of Rs. 5.53 million from the financial year 2020. Your Directors wish to state that the CSR Committee and the Board of your Company had approved a total budget of Rs.32.57 million towards its various CSR projects vis-a- vis the statutory CSR spend of Rs.27 million under the Companies Act, 2013.

The details of the CSR projects/activities for the year 2021 are covered in the Annual Report on CSR activities, which is annexed to this Report. [Annexure 5]

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

Business Responsibility Report

The Linde plc Group has published a detailed Sustainable Development Report 2020, which is prepared in accordance with GRI standards. Linde plc Group's mission of "making our world more productive" reflects its strong belief that Linde is a part of the solution to the climate change challenges faced by the world. As a member of the Linde plc Group, your Company has adopted the various policies of its parent, that relate to the 9 principles laid down by Securities and Exchange Board of India for business responsibility reporting by the top 500 listed entities in India based on market capitalisation. As stipulated in Regulation 34(2) of the SEBI Listing Regulations, 2015, your Company has included a Business Responsibility Report as an integral part of the Annual Report for the year 2021 briefly describing initiatives taken by it from an environment, social and governance perspective during the year under review. Besides, this report, the Company has initiated action to adopt a structured approach for a better understanding of the ESG data relevant to its operations. A brief snap shot of the ESG performance of the Company during 2021 is presented in pages 10 to 15 of this Annual Report 2021.

Corporate Governance

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

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

Board Meetings

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

Board Membership Criteria

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

Familiarisation Programme for Directors

In terms of Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company is required to conduct the Familiarisation Programme for Independent Directors (IDs) to familiarise them about their roles, rights, responsibilities in your Company, nature of the industry in which your Company operates, business model of your Company, etc., through various initiatives. The details of training and familiarization programmes for Directors has been provided under the Corporate Governance Report. Apart from the initial familiarisation program as above, presentations are made to the Board Members at almost all board meetings to enable them to familiarise and update themselves with the changes in the applicable legal framework, competition, industry specific developments, etc. The details of the familarisation programs held during and up to the year 2021 are available on the Company's website at www.linde.in.

Performance Evaluation

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

Declaration of Independent Directors

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

Certificate for non-disqualification of Directors

On an annual basis, the Company obtains from each Director, details of their Board and Committee positions he/she occupies in other Companies and changes, if any regarding their Directorships. The Company has obtained a certificate dated 24 February 2022 from M/s. P Sarawagi & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such authority and the same forms part of this report.

Change of Registrar & Transfer Agents

During the year, the Board of Directors of the Company appointed KFin Technologies Pvt. Ltd. as its new Registrar & Transfer Agents (RTA) in place of Link Intime India Pvt. Ltd. with a view to improve services to the investors and shareholders of the Company. This transition of RTA services became effective from 28 December 2021.

Internal Control Systems and their adequacy

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

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

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

During the year, Suresh Surana & Associates LLP, Chartered Accountants were engaged by the Company for reviewing the framework of its existing internal financial controls across the Company and testing of the operating effectiveness of various internal controls in the organisation. The said firm has submitted a report to the Audit Committee on their findings based on the testing of the key controls for the year 2021. The Statutory Auditors of the Company have also independently reviewed internal financial controls over financial reporting. Both M/s. Suresh Surana & Associates LLP as well as the Statutory Auditors have confirmed that these controls were operating effectively as at 31 December 2021. As stated in the Responsibility Statement, your Directors have confirmed that based on the reviews performed by the internal auditors, statutory auditors, cost auditors, secretarial auditors and the reviews undertaken by the management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls have been adequate and effective during the financial year 2021.

Directors

During the year under review, Ms Cheryl Wei Ling Chan, a Non-Executive Director of the Company stepped down from the Office of Director with effect from close of business hours on 17 June 2021. Your Directors record their appreciation of the valuable contribution made by Ms Cheryl Chan to the functioning of the Company and the Board during her tenure.

The Board had at its meeting held on 29 July 2021, appointed Ms Mannu Sanganeria as an Additional Director (Non-Executive) of the Company with effect from 29 July 2021. Notice under Section 160 of the Companies Act, 2013 has been received from a Member proposing the candidature of Ms Mannu Sanganeria as a Director of the Company.

Mr Abhijit Banerjee's three-year term as the Managing Director of the Company will come to end on 06 June 2022, who is eligible for appointment for a further term of three years. The Board has on the recommendation of the Nomination and Remuneration Committee and Audit Committee at their respective meetings held on 12 and 13 May 2022 approved the re-appointment of Mr Abhijit Banerjee as the Managing Director of the Company for a second term of three years with effect from 7 June 2022, subject to the shareholders' approval, on the terms and conditions and remuneration as mutually agreed between the Company and Mr Banerjee.

Mr R J Hughes retires by rotation at the ensuring Annual General Meeting pursuant to the provisions of Section 152 of the Companies Act, 2013 and Article 104 of the Articles of Association of the Company and being eligible, offers himself for re-appointment.

Necessary resolutions for approval of appointment of Ms Mannu Sanganeria as Director, for re-appointment of Mr R J Hughes, being the director retiring by rotation and for re-appointment of Mr Abhijit Banerjee as Managing Director are included in the Notice of the ensuing Annual General Meeting. The Board recommends the aforesaid resolutions for your approval.

Key Managerial Personnel

Pursuant to Section 203 of the Companies Act, 2013, the present Key Managerial Personnel of the Company are Mr Abhijit Banerjee, Managing Director, Mr Anupam Saraf, Chief Financial Officer (CFO) and Mr Pawan Marda, Director – Corporate Affairs and Company Secretary. During the year under review, there has been no changes in the Key Managerial Personnel of the Company.

Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, audit and reviews performed by the internal auditors, statutory auditors, cost auditors, secretarial auditors and the reviews undertaken by the management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls have been adequate and effective during the financial year 2021.

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

a. that in preparation of the annual financial statements for the year ended 31 December 2021, applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

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

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

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

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

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

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

Secretarial Standards

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

Related Party Transactions

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

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

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

Annual Return

A copy of Annual Return of the Company for the financial year ended 31 December 2020 in Form MGT-7 has been placed on the website of the Company at www.linde.in The Annual Return of the Company for the financial year 2021 would be updated on the same link within the due timelines.

Outlook

The gradual unlocking of the Indian economy after the second wave during the later part of 2021 led to a V-shape recovery on the back of pent- up demand, with several industry segments including steel, automotive, pharmaceutical, chemicals, cement, food and beverages, power, engineering, construction, etc. delivering strong performance.

The extremely successful vaccination program of the Government of India has ensured that over 90% of the country's population has been vaccinated at least the first dose and nearly 70% of the people being fully vaccinated. The ongoing vaccination of the children will further strengthen India in dealing with the pandemic, which will ultimately result in full opening of the economy very soon.

The 'Make in India' initiative of the Government and the 2023 Budget proposals are aimed at boosting the contribution made by the manufacturing sector to about 25% of the GDP from the current level of 17%. The Government's budget proposals of spending on infrastructure, highways and giving a significant boost to public capital expenditure, the Production linked Incentive Schemes in several industries, steps to boost the farm income and the focus on labour reforms, etc. are the steps in the right direction to make India a USD 5 trillion economy by 2026.

The Indian government has planned about USD 3.5 billion in Production linked incentives over a five-year period until 2026 under a revamped scheme to encourage production and export of clean technology vehicles.

The renewable energy sector in India is the fourth most attractive renewable energy market in the world. India was ranked fourth in wind power, fifth in solar power and fourth in renewable power installed capacity, as of 2020. India's target for 2022 for renewable energy generation is 175 GW and this mission is expected to bolster the process of decarbonization. These targets can unlock great potential for Linde India, which has access to global expertise in solutions for the manufacture of solar PV cell.

Your Company has during the year under review successfully acquired the business of HPS Gases Ltd. to increase its gases business in merchant and mini bulk segment in the western markets. Your Company has also been making new investments towards construction of new merchant air separation units at Dahej and another near Ludhiana and is also constructing an onsite large ASU at ESL Ltd. steel works at Bokaro. All these investments will enable your Company to sustain the rebound after the divestments of the South Region Divestment Business and Belloxy Divestment Business to make Linde India a stronger gases player in the years ahead.

Linde India Ltd. has been able to develop capabilities by leveraging the strengths of its divisions in both gases as well as engineering, putting best commercial practices in place to win large tonnage gas supply contracts and grow the merchant and packaged business. With a robust business model and aggressive growth plan, Linde India Limited is poised to maintain its leading position in the industrial gases business. While the medium to long term outlook remains positive, your directors remain cautiously optimistic about the outlook in the wake of the geo political tensions that are unfolding.

Auditors

Statutory Audit

Messrs Deloitte Haskins & Sells, LLP, Chartered Accountants (Firm's Registration No. 117366W/W-100018) was appointed as the Statutory Auditors of the Company at its 81st Annual General Meeting from the conclusion of the said meeting and hold office until the conclusion of the 86th Annual General Meeting in the year 2022.

The reports of the Statutory Auditors, Deloitte Haskins & Sells LLP, Chartered Accountants on the standalone and consolidated financial statements of the Company for the year 2021 form part of this Annual Report. The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Statutory Auditors have submitted an unmodified opinion on the audit of financial statements for the year 2021 and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

It is now proposed to appoint Messrs Price Waterhouse & Co. Chartered Accountants LLP (Firm Regn. No. 304026E/E 300009) as the new Statutory Auditors of your Company to hold office from the conclusion of 86th Annual General Meeting until the conclusion of the 91st Annual General Meeting of your Company to be held in the year 2027, in accordance with Section 139 of the Companies Act, 2013 and rules made thereunder. Necessary resolution for approval of appointment of Price Waterhouse & Co. Chartered Accountants LLP as the Statutory Auditors of the Company is included in the Notice of the ensuing 86th Annual General Meeting. The Board recommends the aforesaid resolution for your approval.

Secretarial Audit

The Board of Directors of the Company had appointed M/s. P Sarawagi & Associates, a firm of Company Secretaries pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for undertaking the secretarial audit of the Company for the year 2021. In terms of the provisions of Section 204(1) of the Companies Act, 2013, a Secretarial Audit Report dated 24 February 2022 in Form MR-3 given by the Secretarial Auditor is annexed with this Report. The observation made by the Secretarial Auditors in their Report are self-explanatory. The Report confirms that the Company had complied with the statutory provisions listed under Form MR-3 and the Company also has proper board processes and compliance mechanism. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. [Annexure 7]

Cost Audit

In terms of Section 148 of the Companies Act, 2013, the Company is required to have the audit of the cost accounting records conducted by a Cost Accountant. Mani & Co., a firm of Cost Accountants conducted this audit for the Company's financial year ended 31 December 2020 and submitted their report to the Central Government in Form CRA 4 on 7 June 2021. Mani & Co., Cost Auditors have conducted the audit of the cost records of the Company for the financial year 2021.

The Board of Directors of the Company had on the recommendation of the Audit Committee appointed M/s. Mani & Co., Cost Accountants having registration no. 000004 as the Cost Auditor for the year ended 31 December 2022 to conduct cost audit under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time. In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the Members of the Company and appropriate resolution in this regard forms part of the Notice convening the ensuring AGM.

Acknowledgements

Your Directors wish to place on record their gratitude to the bankers, customers, dealers, suppliers and all other business associates and the shareholders of the Company for their continued support during the year under review. The year 2021 has presented enormous challenges for the employees of the Company at all levels, who remained steadfast in their commitment in achieving a very satisfactory performance for the Company. Your Directors, therefore, place on record their appreciation of the excellent contribution made by the employees of the Company at all levels during the year.

Your Directors are also grateful for the valuable support and cooperation received from the various Government departments and agencies in these challenging times and look forward to their continued support in the future. The Board of Directors is very thankful to the Linde plc Group for their strategic inputs, guidance and support in various operational and functional areas. This support has always been helpful to deliver improved performance to the shareholders and indeed all stakeholders of the Company.

Disclaimer

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

On Behalf of the Board

R J Hughes	**A Banerjee**
Chairman	Managing Director
DIN: 08493540	DIN: 08456907
Bangalore	Bangalore
13 May 2022	13 May 2022

Annexure to Directors' Report.

[Annexure - 1]

Dividend Distribution Policy

1. Preamble:

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

2. Effective Date:

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

3. Definitions:

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

4. Declaration:

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

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

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

6. Factors to be considered for Dividend Payout:

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

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

7. Utilization of retained earnings:

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

8. Disclosure:

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

9. Authority to make alterations:

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

On Behalf of the Board

R J Hughes	**A Banerjee**
Chairman	Managing Director
DIN: 08493540	DIN: 08456907
Bangalore	Bangalore
13 May 2022	13 May 2022

Annexure to Directors' Report.

[Annexure - 2]

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures [FORM AOC-1]

Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014

Part "A": Subsidiaries: Not Applicable

Part "B": Associates and Joint Ventures

	Name of Joint Venture	Bellary Oxygen Company Pvt. Ltd.	Linde South Asia Services Pvt. Ltd.
1.	Latest Audited Balance Sheet Date	31 March 2021	31 March 2021
2.	Date on which the Joint Venture was acquired	22 March 2006	24 March 2020
3.	Shares of Joint Venture held by the Company as on 31 December 2021		
	No. of shares	15,000,000 Equity Shares of Rs. 10 each	2,000,000 Equity Shares of Rs. 10 each
	Amount of investment in Joint Venture	Rs. 150,000,000	Rs. 20,000,000
	Extent of Holding (in percentage)	50%	50%
4.	Description of how there is significant influence	There is significant influence due to shareholding and joint control over the economic activities of the JV Company.	There is significant influence due to shareholding and joint control over the economic activities of the JV Company.
5.	Reason why the Joint Venture is not consolidated	Not Applicable	Not Applicable
6.	Net worth attributable to Shareholding as per latest Audited Balance Sheet	Rs. 355.28 million (50% share of the net worth as per audited financial statements as on 31 March 2021)	Rs. 68.07 million (50% share of the net worth as per audited financial statements as on 31 March 2021)
7.	Profit/(Loss) for the year		
	i. Considered in consolidation	Rs. Nil (Since classified as Asset Held for Sale)	Rs. 56.18 million
	ii. Not considered in consolidation	Rs. 40.52 million	Rs. 56.18 million

On behalf of the Board

Robert J Hughes
Chairman
DIN: 08493540

Thailand
24 February 2022

Abhijit Banerjee
Managing Director
DIN: 08456907

Kolkata
24 February 2022

Jyotin Mehta
Director
DIN: 00033518

Kolkata
24 February 2022

Anupam Saraf
Chief Financial Officer
Membership: ACA060828

Kolkata
24 February 2022

Pawan Marda
Director – Corporate Affairs & Company Secretary
Membership No: ACS8625

Kolkata
24 February 2022

Annexure to Directors' Report.

[Annexure - 3]

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

A. Amount outstanding as on 31 December 2021:

Particulars	Amount (Rs. in million)	Purpose
Loans given	Nil	-
Guarantees given	Nil	-
Investments made:		
• Bellary Oxygen Co. Pvt. Ltd.	150.00*	Equity Investment
• Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Pvt. Ltd.)	20.00	Equity Investment

**Investment classified as Asset Held for Sale.*

B. Loans, Guarantees and Investments made during the Financial Year 2021:

Name of the entity	Relation	Amount (Rs. in million)	Particulars of loans, guarantees given or investments made	Purpose for which the loans, guarantees and investments are proposed to be utilized
-	-	-	-	-

On behalf of the Board

R J Hughes
Chairman
DIN: 08493540

Bangalore
13 May 2022

A Banerjee
Managing Director
DIN: 08456907

Bangalore
13 May 2022

Annexure to Directors' Report.

[Annexure - 4]

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

(1) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company, percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary for the financial year 2021:

Median remuneration of the employees of the Company for the financial year 2021	Rs. 1,110,176
The percentage increase in the median remuneration of employees in the financial year 2021	9.71
The number of permanent employees on the rolls of the Company as on 31 December 2021	242

Name of Director/KMP	Remuneration (Rs. in million)	Ratio of remuneration of each Director to median remuneration of the employees of the Company	% increase in remuneration in the financial year 2021
§ Non-Executive Directors			
Mr Robert John Hughes	Nil	N. A.	N. A.
Ms Cheryl Wei Ling Chan (01.01.2021 – 17.06.2021)	Nil	N. A.	N. A.
Ms Mannu Sanganeria (29.07.2021 – 31.12.2021)	Nil	N. A.	N. A.
§ Independent Directors*			
Mr Arun Balakrishnan	2.45	2.21	8.89%
Mr Jyotin Mehta	2.80	2.52	7.69%
Dr Shalini Sarin	2.18	1.96	7.92%
§ Executive Director			
Mr Abhijit Banerjee, MD	22.05	19.87	6.12%
§ Key Managerial Personnel (other than MD)			
Mr Anupam Saraf, CFO	8.03	N. A.	2.00%
Mr Pawan Marda, CS	8.41	N. A.	2.00%

*Independent Directors Remuneration includes sitting fees and commission for the financial year 2021.

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

The average percentage increase made in the salaries of permanent employees other than the managerial personnel during the year 2021 was 8.65%, whereas the increase in the managerial remuneration was 6.12%. The average increase every year is an outcome of the Company's market competitiveness, salary benchmarking survey, inflation and talent retention.

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

On behalf of the Board

R J Hughes	**A Banerjee**
Chairman	Managing Director
DIN: 08493540	DIN: 08456907
Bangalore	Bangalore
13 May 2022	13 May 2022

Annexure to Directors' Report.

[Annexure - 5]

Annual Report on Corporate Social Responsibility

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the Company's CSR Policy

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

2. The Composition of the CSR Committee

   Please refer to the Corporate Governance Report for the composition of the CSR Committee.

3. Web-link where composition of the CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

   Web-link of composition of CSR Committee https://www.linde.in/en/about_linde_india_limited/management/index.html

   Web-link of CSR Policy of the Company http://www.linde.in/en/corporate_responsibility/publications/index.html.

   Web-link of the CSR Projects approved by the Board for the Year 2021 https://www.linde.in/en/investor_relations/csr/index.html

4. Details of Impact assessment of CSR projects carried out in pursuance of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable at present

5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be setoff for the financial year, if any (in Rs.)
-	-	-	-

		Rs. in million
6.	Average net profit of the Company as per Section 135(5) of the Companies Act, 2013	1,350.12
7.	(a) Two percent of average net profit of the Company as per Section 135(5) of the Companies Act, 2013	27.00
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	(c) Amount required to be set off for the financial year, if any	Nil
	(d) Total CSR obligation for the financial year (7a+7b+7c)	27.00

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. million)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount (Rs.)	Date of transfer	Name of the Fund	Amount (Rs.)	Date of transfer
32.58 (including carried forward amount from FY 2020)	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No).	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Imple-mentation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Regn. No.
1.	Defensive driver training for drivers of heavy vehicles for making the highways safer	Livelihood (Skill Development)	No	Delhi, Haryana, Rajasthan, Odisha, Jharkhand Chhattisgarh, Maharashtra, Telangana		3 Years	2,500,000	2,500,000	-	No	Institute of Road Traffic Education (IRTE)	CSR00001718
2.	Training program for mid-wives for reduction of C-section deliveries	Health	No	Odisha	Jajpur	3 Years	2,500,000	2,496,450	-	No	Centre for catalyzing change CSR Activity (C3)	CSR00001620
3	Training program for mid-wives for reduction of C-section deliveries	Health	No	Odisha	Jajpur	3 Years	1,700,000	1,700,000	-	No	Centre for catalyzing change CSR Activity (C3)	CSR00001620

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of imple-mentation – Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Regn. No.
1	Contribution towards education/ free hostel facility for underprivileged children	Education	No	Karnataka & Rajasthan	Yelahanka & Udaipur	500,000	No	AIM for Seva	CSR00003273
2.	Contribution towards education for underprivileged children	Education	Yes	West Bengal	Kolkata	500,000	No	Disha Foundation	CSR00000237
3.	Education of children suffering from cerebral palsy	Education	Yes	West Bengal	Kolkata	500,000	No	Indian Institute of cerebral Palsy	CSR00001730
4.	Education for underprivileged children	Education	No	Jharkhand	Jamshedpur	500,000	No	Prem Jyoti Prangan	CSR00010604
5.	Contribution for providing education & other support for blind children	Education	No	Odisha	Rourkela	500,000	No	Radhakrishna Drushtihina Vidyalaya	CSR00009714
6.	Renovation & Revamping of Operation Theatres into Covid Operation Theatres and Donation of Multipara Patient Monitors to Sarada Matri Mandir Bhawan, Kolkata	Other Areas (Disaster Relief)	Yes	West Bengal	Kolkata	2,700,000	No	Ramakrishna Sarda Mission	CSR00005055
7.	Covid related support, i.e., online doctor support, supply of essential medicines, facility of ICU, Covid-19 testing, food and health suppliers etc. at various locations in India	Other Areas (Disaster Relief)	Yes	-	-	5,000,000	No	Give India	CSR00000389
8.	Contribution to Turnstone Global towards disaster relief- Yaas cyclone	Other Areas (Disaster Relief)	Yes	West Bengal	South 24 Parganas	500,000	No	Give India	CSR00000389
9.	Donation of medical equipment for treatment of Covid patients	Other Areas (Disaster Relief)	No	Karnataka	Bangalore Urban	2,500,000	No	Concern India Foundation	CSR00000898
10.	Ex-gratia payment to temporary/ casual/ daily wage workers at various locations in India towards Covid-19 relief as per MCA General Circular No. 15/2020 dated 10 April 2020 on Covid-19 related FAQs on CSR	Other Areas (Disaster Relief)	Yes	-	-	5,600,000	Yes	N/A	N/A
11.	Project by plant managers towards Project Saksham - Computer Literacy Program	Education	Yes	West Bengal	North 24 Parganas	642,500	Yes	N/A	N/A
12.	Various projects by plant managers - donation of ICU beds, medical equipments, masks, vaccination program, etc.	Health	Yes	Odisha West Bengal Gujarat	Rourkela Kolkata Bharuch	2,723,179	Yes	N/A	N/A
13.	Various projects by plant managers - restoration of mangroves in Sundarbans	Environment	Yes	West Bengal	South 24 Parganas	420,000	Yes	N/A	N/A
14.	Projects by plant managers - providing food, water and other supplies for relief from Cyclone Yaas and floods	Other Areas (Disaster Relief)	Yes	Maharashtra Odisha West Bengal	Raigad Jajpur Kolkata	991,592	Yes	N/A	N/A
15.	Projects by plant managers - providing food, groceries, clothing, etc. for old age home, children home, etc.	Other Areas (Community Development)	Yes	West Bengal Telangana Odisha	Budge Budge Kothagudam Keonjhar	308,369	Yes	N/A	N/A
16.	Contribution to Navy Week Fund 2021	Other Areas	No	-	-	2,000,000	Yes	N/A	N/A

(d) Amount spent in Administrative Overheads: No direct administrative overheads other than paid to the implementing agencies.

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 32.58 million

(g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in Rs. million)
1.	Two percent of average net profit of the company as per section 135(5)	27.00
2.	Total amount spent for the Financial Year (including carried forward amount from FY 2020)	32.58
3.	Excess amount spent for the financial year [(ii)-(i)]	5.58
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years: Rs. 5.53 million

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs. million)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs. million)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1.	2020	N/A	5.53	N/A	-	-	Nil
2.	2019	N/A	Nil	N/A	-	-	Nil
3.	2018	N/A	Nil	N/A	-	-	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of Reporting FY (in Rs.)	Status of the project - Completed / Ongoing
-	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable

(a) Date of creation or acquisition of the capital asset(s)
(b) Amount of CSR spent for creation or acquisition of capital asset
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Reason, if Company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

12. CSR Committee Responsibility Statement

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company.

On behalf of the Board

A Banerjee
Managing Director
DIN: 08456907

Bangalore
13 May 2022

S Sarin
Chairperson, CSR Committee
DIN: 06604529

Bangalore
13 May 2022

Annexure to Directors' Report.

[Annexure - 6]

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

A. Conservation of Energy

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

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

· Waste nitrogen purity reduction at Rourkela ASU (from 1.0% to 0.6%)- Power saving of 150kw

· MAC inter-cooler replacement and cleaning of Direct Contact Air Cooler at Taloja ASU- Power saving of 170kw

· Reduction of plant outage due to power failure at Selaqui ASU by changing to reliable power supply resulting in higher plant uptime. This has resulted in best ever Unit power of 0.470kwh/Nm^3, a 5% reduction as compared to last year value of 0.495kwh/Nm^3. Power saving of about 260kw

· Replacement of PPU heater bundle with a new one at Jindal Stainless ASU resulting in reduction of air to Evaporative Cooler by ~1000Nm^3/hr, approx. power saving of 80 kw

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

· Reduction of Internal Compression stream pressure in Main Heat Exchanger at 2550 tpd ASU at Jamshedpur. This resulted in ~15-20 tpd of additional liquid

· Increase in Flat Bottom Storage Tank PSV rating leading to reduction of losses by about 1.0 tpd per tank at Selaqui, Dahej, Rourkela and Kalinganagar ASU sites. Estimated power savings - 300kw

· Additional perlite filling nozzles put in Flat Bottom Storage Tanks at various ASU sites. Power savings (cumulative) - ~350-400kw

· In view of high Liquid Argon (LAR) demand, productivity projects carried out at Rourkela, Jamshedpur and KPO ASU sites aimed at reduction of loss of LAR and higher argon output at the ASU.

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

The Company has initiated sourcing of renewable energy on short term basis at some of its plants for the operations of the facilities and improving the energy efficiency.

As a major step in souring of renewal energy, the Company has an approved plan for an investment of Rs. 287 million for sourcing of renewal power (solar/wind) on long term basis for the merchant Air Separation Units owned/operated by it at Taloja Dahej and Sri City sites.

(iii) Capital investment on energy conservation equipment:

a) Investment of approx. Rs. 5 million has been planned for refurbishment of cooling tower in 2550 tpd ASU at Jamshedpur and another Rs.4.50 million for replacement of inter cooler at 421 tpd ASU at Kalinganagr, which will result in conservation of energy.

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

B. Technology Absorption

(i) Efforts made towards technology absorption:

Nil

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

The plant operations have benefited by new predictive digital tools line such as online partial discharge monitoring for HT motors, equipment condition monitoring for predicting key compressor and motor health, which will also enhance reliability of plants.

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

Not Applicable

(iv) Expenditure on Research and Development:

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

C. Foreign Exchange Earnings and Outgo

Total foreign exchange used and earned:

Total foreign exchange used during the year was Rs. 2,035.82 million and total foreign exchange earned during the year was Rs. 364.32 million.

On Behalf Of The Board

R J Hughes	**A Banerjee**
Chairman	Managing Director
DIN: 08493540	DIN: 08456907
Bangalore	Bangalore
13 May 2022	13 May 2022

Annexure to Directors' Report.

[Annexure - 7]

Form No. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31 December 2021
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of the Secretarial Audit and considering the various relaxations granted by the Securities and Exchange Board of India, the Ministry of Corporate Affairs and other government authorities due to COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 December 2021, generally complied with the statutory provisions listed hereunder, as amended from time to time and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 December 2021, according to the applicable provisions of :

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
(iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
(iv) The Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECBs);
(v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 :
   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
   (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014/ the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008/ the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009/ the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
   (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and
   (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

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

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

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

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

We further report that:

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

II. Adequate notices were given to all the Directors to schedule the Board Meetings. The agenda and detailed notes on agenda were made available to all the Directors on the Company's digital board room portal seven days in advance, except for the meeting of 29 July 2021 which was held at a shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meetings.

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

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

We further report that during the year under review, the following specific events have taken place, which may be considered to have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, etc. :

(a) Divestment of the "Belloxy Divestment Business" : In view of the inability of Inox Air Products Private Ltd. to acquire the Belloxy Divestment Business, the Hon'ble Competition Commission of India (CCI), in December 2020, had directed extension of the Hold Separate Arrangement in respect of this business for the balance tenure of the gas supply agreement up to 14 November 2021. Subsequent thereto, during the year under review, the Company's joint venture company, Bellary Oxygen Company Pvt. Ltd. accepted the offer of JSW Steel Ltd. for purchase of the 855 tonnes per day Air Separation Unit and other related assets, which formed part of the Belloxy Divestment Business. On 14 November 2021, upon expiry of the gas supply agreement with JSW Steel Ltd., Bellary Oxygen Company Pvt. Ltd. signed and executed the Asset Sale Agreement with JSW Steel Ltd. and received the consideration amount of Rs.50 crores for the transaction and handed over the possession of the 855 tonnes per day Air Separation Unit and other related assets to JSW Steel Ltd. This has resulted in cessation of the Hold Separate Arrangement in respect of the Belloxy Divestment Business.

(b) The Company has sold land and building of its closed factory at 48/1 Diamond Harbour Road, Kolkata – 700 027, at a consideration of Rs.300 crores to Mindstone Mall Developers Pvt. Ltd. on 9 February 2021. The operations of erstwhile packaged gas plant at 48/1 Diamond Harbour Road, Kolkata – 700 027 were earlier shifted to the Company's site at Uluberia, Howrah.

For P. SARAWAGI & ASSOCIATES
Company Secretaries
P. K. Sarawagi
Proprietor
Membership No. : FCS-3381
Certificate of Practice No. : 4882
Peer Review Certificate No. 1128/2021
ICSI UDIN : F003381C002650201

Place : Kolkata
Date : 24 February 2022

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

Annexure to Directors' Report.

Annexure - A

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

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

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

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

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

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

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

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

For P. SARAWAGI & ASSOCIATES
Company Secretaries
P. K. Sarawagi
Proprietor
Membership No. : FCS-3381
Certificate of Practice No. : 4882
Peer Review Certificate No. 1128/2021
ICSI UDIN : F003381C002650201

Place : Kolkata
Date : 24 February 2022

Business Responsibility Report 2021.

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company: L40200WB1935PLC008184

2. Name of the Company: Linde India Limited

3. Registered address: Oxygen House, P-43 Taratala Road, Kolkata 700 088, India

4. Website: www.linde.in

5. E-mail id: contact.lg.in@linde.com

6. Financial Year reported: 1 January 2021 – 31 December 2021

7. Sector(s) that the Company is engaged in (industrial activity code-wise): Industrial Activity Code:

Division	Group	Class	Description
20	201	2011	Manufacturing of basic chemicals
21	210	2100	Manufacturing of pharmaceutical and medicinal chemical
42	422	4220	Construction of utility projects

8. List three key products/services that the Company manufactures/ provides (as in balance sheet)
   I. Oxygen
   II. Nitrogen
   III. Argon
   The Company also has a Project Engineering Division which is engaged in manufacture of Air Separation Units and other plants related to industrial gases.

9. Total number of locations where business activity is undertaken by the Company
   (a) Number of International Locations (Provide details of major 5): Nil
   (b) Number of National Locations: 38

10. Markets served by the Company – Local/State/National/International: National and International.

    Linde India has a presence pan- India and also supplies products, plants and equipment in Bangladesh, Malaysia, Indonesia, etc.

Section B: Financial Details of the Company

1. Paid up Capital (INR): Rs. 852.84 million

2. Total Turnover (INR): Rs. 21,119.58 million

3. Total profit after taxes (INR): Rs. 5,139.44 million

4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 0.63%

5. List of activities in which expenditure in 4 above has been incurred: Please refer to Annexure-5 to the Directors' Report for the year 2021.

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?

   No

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

   Not Applicable (NA)

3. Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

   The Linde plc Group has several global policies and guidelines applicable to our company and all business partners. This includes, among others, the principles of the International Bill of Human Rights enacted by the United Nations as outlined in the Code of Business Integrity and the Supplier Code of Conduct which covers basic requirements to meet its standards with respect to health and safety, protecting the environment, labour standards, etc. The Company thus complies with all applicable laws and regulations with respect to upholding human rights and protecting the environment in its own operations as well as in relation to its business partners including suppliers and expects them to meet these standards.

Section D: BR Information

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies
   1. DIN Number: 08456907
   2. Name: Mr. Abhijit Banerjee
   3. Designation: Managing Director (MD)

(b) Details of the BR head

No.	Particulars	Details
1.	DIN Number	08456907
2.	Name	Mr. Abhijit Banerjee
3.	Designation	Managing Director (MD)
4.	Telephone No.	+91-33-2401 4746
5.	Email ID	abhijit.banerjee@linde.com

2. Principle-wise (as per NVGs) BR Policy/policies
   (a) Details of compliance (Reply in Y/N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG- SEE) notified by the Ministry of Corporate Affairs, Govt. of India, provide the following nine principles:-

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Ethics and Transparency	Product Responsibility	Well-being of Employees	Responsiveness to Stakeholders	Human Rights	Environmental Responsibility	Public Policy Advocacy	CSR- Support Inclusive Growth	Engagement with Customers
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify. (50 words)	Y Note 1	Y Note 1	Y Note 1	Y Note 1	Y Note 1	Y Note 1	Y Note 1	Y Note 1	Y Note 1
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Code of Business Integrity: http://www.linde.in/en/images/4-17166-Code%20of%20business%20integrity-6_tcm1326-514550_tcm523-569012.pdf Global Quality Policy: https://www.linde.com/about-linde/safety-and-environment/quality-policy Global Responsible Care Policy: https://www.linde.com/-/media/linde/merger/documents/safety/responsible-care-policy.pdf?rev=fe12227535f44a4c97c73b09a81c6d5a Human Rights Policy: https://www.linde.com/sustainable-development/policies-and-position-statements/human-rights-policy#:~:text=%20Linde%20Human%20Rights%20Policy%20%201%20Fair,compulsory%20or%20forced%20labor%20at%20our...%20More%20 Health, Safety & Environment Policy: https://www.linde.com/about-linde/safety-and-environment/safety-health-environment-policies/health-safety-environment-hse-policy Water Position Statement: https://www.linde.com/sustainable-development/policies-and-position-statements/water-position-statement Suppliers Code of conduct: https://www.linde.com/-/media/linde/merger/documents/global-procurement/linde_global_supplier_code_of_conduct.pdf?la=en CSR Policy: https://www.linde.in/en/images/TLG_CR%20Policy_051207_2_tcm523-9458.pdf All other policies are available on the Company's internal network. The aforesaid policies are issued by Linde plc, the ultimate holding company of Linde India Ltd., which apply to all its operations globally including Linde India Ltd.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes. The Company's policy and procedures are supported by internal controls in our operating systems. These controls are also subject to internal and/or external audits.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
3	The company does not have financial or manpower resources available for the task	NA	NA	NA	NA	NA	NA	NA	NA	NA
4	It is planned to be done within next 6 Months	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	It is planned to be done within the next 1 year	NA	NA	NA	NA	NA	NA	NA	NA	NA
6	Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note 1: As a standalone company, we comply with applicable standards laid down by Bureau of Indian Standards in Project Engineering Division, Indian Pharmacopoeia 2018 for medical oxygen, Legal Metrology (Packaged Commodities) Rules, 2011, the provisions of the Companies Act, 2013 on CSR, Indian Accounting Standards for accounting, other applicable laws/enactments in India, etc.

Linde plc Group's Code of Business Integrity, which applies to Linde India as well, includes commitments to adhere to high standards for diversity and inclusion; safety; health; care for the environment and quality; human rights; corporate citizenship and the prevention of bribery and corruption. Linde plc in its Sustainable Development Report 2020 confirms that it also has guidelines and policies governing its response to important broad public policy issues in the areas of corporate social responsibility and corporate citizenship.

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The BR performance of the Company is reviewed annually by the Board of Directors of the Company/Managing Director. The CSR Committee reviews the implementation of the projects/initiatives/activities to be undertaken by the Company in the field of CSR. The Director- Corporate Affairs and Company Secretary co-ordinates with other functionals heads on periodic basis to assess the BR performance of the Company.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company publishes the information on BR under the Business Responsibility Report, which forms part of the Annual Report of the Company. The Business Responsibility Report is accessible at the Company's website on https://www.linde.in/en/investor_relations/business_responsibility/index.html

Linde plc, of which the Company is a part, has published in 2021 a Sustainable Development Report 2020 covering the ten principles of the United Nations Global Compact and their impact on issues such as human rights, climate change, etc. in the manner required for GRI reporting.

Section E: Principle-wise Performance

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

   Linde India Limited has adopted the Linde plc Group's Code of Business Integrity, as its Code of Conduct, which inter alia, covers issues such as Ethics, Bribery, Corruption, which also extends to dealing with customers, suppliers, shareholders, employees, government, communities and public at large. The Company also has strict Business Partner Compliance Guide (BPCG) guidelines for those suppliers who represent Linde as business partner to third parties.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   During the year, the Company received two anonymous complaints involving an employee, which comes within the purview of this principle. The complaint/issue is under investigation and would be dealt with in accordance with the framework of the Code of Conduct of the Company.

Principle 2

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   Listed below are products, in the Gases Business Segment, whose manufacturing process incorporates environment and safety risks/ concerns:
   (a) Oxygen
   (b) Nitrogen
   (c) Argon

   Besides, the Company has a Project Engineering Division, which manufactures Cold Boxes for small ASUs and Nitrogen Plants, Modular PPU skids for Nitrogen Plants and Water/Steam Bath vaporizers at its Plant Manufacturing Works at Kolkata, where the mitigation of safety risk is better addressed as compared to construction sites.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional):**

   Efficient use of resources enables us to reduce our environmental impact and cut costs. Air is the most important raw material we use in the production of oxygen, nitrogen and argon. LNG is also a feedstock in one of the Company's plant in Aurangabad in India. Our other principal input involved in the manufacturing process is energy. Along with purchased electricity for the operations, diesel is also combusted at some of the Company's operating sites for back up of the street lighting. The main packaging material used is gas cylinders, which have a long lifespan and are filled several times in a year. The Project Engineering Division uses steel and aluminium for manufacture of components in construction of plants. Water is largely used for cooling in plants, which is mostly recycled in the system.

   The manufacturing of complete cold boxes for small ASUs and Nitrogen plants , modular PPU skids for Nitrogen Plants and vaporizers at the Plant Manufacturing Works has been resulting in considerable saving in use of energy, water and manpower as compared to construction at the sites. The Water/Steam Bath vaporizers manufactured by the Company are compact, which deliver 5-6 times volumes of gas as compared to ambient vaporizers, which results in savings in raw materials and space required for installation at the site.

   (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

   A substantial part of gases sold by the Company in 2021 was derived from the natural raw material – air, which does not lead to any scarcity of this resource. As an energy intensive company, we require a reliable and competitively priced energy supply and necessary actions are being taken on an ongoing basis to conserve and optimise the energy used in our manufacturing process. During the year 2021, productivity initiatives were implemented at various air separation units for reducing energy consumption. Besides, optimization of plant operations was continued with a view to reduce specific power at these plants. Waste nitrogen purity reduction at Rourkela, MAC inter-cooler replacement at Taloja, reduction of plant outage due to power failure at Selaqui ASU by shifting to reliable power supply, etc. are some of the examples of such optimization of plant operations leading to savings in energy consumption. Further, reduction in use of resources was achieved through sourcing of liquid products from product swap agreement within the group companies, which has resulted in improved efficiency and reduced distribution cost. During the year, the Company continued its focus on improving efficiency of the distribution function by grounding low capacity old VITTs and reducing the fleet size and maintenance of VITTs to reduce loss. The introduction of CNG vehicles in package operations has also resulted in savings of fossil fuel and emission. With the help of several innovative efficiency programs, we could improve delivered quantity per trip by about 3%, reducing product loss in distribution by about 1% and reducing return of undelivered products by about 1%. The Company has replaced diesel operated forklift trucks with battery operated forklift trucks at most of the PGP sites to reduce emission. More details of these measures are covered in Annexure- 6 to the Directors' Report.

   We use water as efficiently as possible and substantial part of our water consumption is used in cooling processes, which is mostly recycled into the water system. Water is also used for drinking purposes in our offices and plants and for gardening. As a part of our commitment to environment protection, initiatives like rain-water harvesting, recycling of waste water, etc. is done at most of the plants.

   (b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

   The Company's application based technologies across diverse industry segments viz., steel making, glass, ferrous metal processing, refinery, chemicals and energy, cement, etc. support customers to reduce fuel consumption and improve process efficiency, thereby help in reducing environmental impact of their own processes.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so. `**

   When selecting suppliers, apart from commercial considerations such as quality, price and availability, we also consider aspects such as safety and the environment. Our global Code of Conduct for Suppliers sets out minimum requirements for safety, environmental protection, human rights and corporate integrity while selecting vendors.

The Company has initiatives to induct CNG vehicles in the PGP business to replace vehicles running on diesel, route optimization to reduce round trip distance and total kilometers run to reduce energy cost and its environmental impact.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   As an ongoing process, efforts are made by the Company to procure goods and services from MSME vendors. Efforts are also made to use the local service providers for availing certain services at our various plants and offices spread across the country, which has a positive impact on the local communities. Appropriate on the job training including on safety are imparted to people at the plants and offices to increase awareness and capability on these matters.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   The Company has set up water recycling and rain-water harvesting facilities at a number of its operating plants. Similarly, gas cylinders of the Company are re-used for supply of gases over a life span of 20-30 years. Residual product returned by customers in cylinders at the time of refilling was earlier vented out. The Company has fitted residual pressure valves in cylinders to prevent contamination of residual product with a view to prevent venting and reduce avoidable loss of product.

   The Company endeavours to keep consumption of resources as low as possible to minimise waste. Our common waste products are lube oil, transformer oil, water chemicals and other waste, which include metal including condemned cylinders. Oil and water treatment chemicals waste, which cannot be recycled in environmentally sound manner is disposed of through the agencies approved by the Central/ State Pollution Control Board(s). We comply with local regulations for classifying and disposal of waste as hazardous and non-hazardous substances.

Principle 3

1. Please indicate the total number of employees.

   Linde India had 242 employees on its pay rolls as on 31 December 2021.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

   Linde India had 705 temporary/contractual employees as on 31 December 2021.

3. Please indicate the number of permanent women employees.

   Linde India had 18 permanent women employees as on 31 December 2021.

4. Please indicate the number of permanent employees with disabilities.

   Although Linde India follows policy of no discrimination in recruitment as on 31 December 2021, there were no permanent employees with disabilities.

5. Do you have an employee association that is recognized by management?

   Yes, Linde India has recognised workers' union. There are two such unions, one in West Bengal and one at Jamshedpur, Jharkhand.

6. What percentage of your permanent employees is members of this recognized employee association?

   About 19.42%. Through continual dialogue with the employee associations, the Company strives to maintain cordial relationship with employees and works towards their welfare.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

   (a) Permanent Employees
   (b) Permanent Women Employees
   (c) Casual/Temporary/Contractual Employees
   (d) Employees with Disabilities

No.	Category	Safety (% of employees covered during the year 2021)	Skills Development (% of employees covered during the year 2021)
1	Permanent employees*	4.13%	4.96%
2	Permanent women employees*	11.11%	22.22%
3	Casual/Temporary/ Contractual Employees	100%	35%
4	Employees with Disabilities	NA	NA

* The Company has a continuous process of covering all its employees in its training programmes relating to safety and skill development.

Principle 4

1. **Has the company mapped its internal and external stakeholders?**

   Yes

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   Yes

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

   Yes. Linde India is committed to improve the communities in which it operates through its CSR initiatives and employees' volunteerism. "Community" is one of the core values of Linde Plc. Linde India sites therefore, maintain a strong community engagement program. The Company encourages contribution of employee hours to such programs and initiatives. During the year, 1,374 employee hours were contributed towards community engagement as part of several CSR projects/ initiatives of the Company. Our Corporate Social Responsibility programme reaches out to different sections of the disadvantaged, vulnerable and marginalized members of the community to make positive impact on their lives in various ways. The details of the programmes/ projects undertaken by the Company during the year 2021 are provided in Annexure 5 to the Directors' Report for the year 2021.

Principle 5

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?**

   As a member of the Linde plc Group, your Company is committed to respect and support the protection of human rights set out in United Nation Universal Declaration of Human Rights, the ten principles of UN Global Compact, etc. The respect for people is enshrined in the Code of Integrity and the Linde values. The Company complies with applicable laws and regulations governing occupational health and safety, applies principles of equal opportunity, fair treatment and zero tolerance for any form of unlawful discrimination or harassment of employees. The Company also encourages its suppliers and other business partners, etc. to share its commitment in this regard and the Company's Suppliers Code of Conduct sets the minimum requirements on human rights and labour standards to be complied by all suppliers/ contractors etc.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   NIL

Principle 6

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/others?**

   Linde plc, which is the ultimate holding company of Linde India Limited has a Health, Safety and Environment (HSE) Policy, which is committed to ensure that no harm comes from our actions to people, the environment or the communities in which we operate. The Policy extends to the Joint Ventures and business partners. The Company is committed to work with its business partners including suppliers, contractors, etc. to promote and enforce compliance with this policy.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

   Linde plc, of which the Company is a part, has strategy to address environmental issues such as global warming and carbon footprint. Linde India also addresses issues such as these at its various operating sites in India which are caused mainly by emission of Green House Gases from Air Separation Plants, other sources of Green House Gases (nitrous oxide) and from driving. The weblink of Linde Plc's HSE Policy is given in Section D of this report which is adopted by the Company for all the operating sites in India. In line with the strategy of Linde plc, the Company has taken initiatives to address the relevant environmental issues. The details of some of the initiatives taken during the year are included in Annexure 6 to the Director's Report.

   During the year, the Company also continued its focus on improving efficiency of the distribution function, for improving delivered quantity per trip, reducing product loss in distribution and reducing return of undelivered products which also has a positive impact on environmental issues.

3. Does the company identify and assess potential environmental risks? Y/N

   Yes. The potential environmental risks are being identified through ASPECT and IMPACT register from each of the operating ASU sites of the Company. Evaluation of environmental risk is being done by the ISO 14001 external auditors in their yearly audit.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   No, the Company does not presently have any project related to Clean Development Mechanism (CDM). Although, CDM has shown its ability to incentivize investment in emission reduction and development projects, Linde India's application technology installations such as REBOX® which help reduce NOx and carbon footprint by oxyfuel combustion in steel processing industries and other installations have not yet been brought into the purview of CDM.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   The Company has initiated sourcing of renewable energy on short term basis at some of its plants for the operations of the facilities and improving the energy efficiency. As a major step in souring of renewal energy, the Company has an approved plan for an investment of Rs. 287 million for sourcing of renewal power (solar/wind) on long term basis for the merchant Air Separation Units owned/operated by it at Taloja Dahej and Sri City. The Company has been taking certain initiatives on an ongoing basis towards conservation of energy and improving energy efficiency at its various plants. The brief details of these initiatives are contained in Annexure-6 to the Directors' Report for the year 2021.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   The emissions and waste generated by the Company are within the permissible limits as prescribed by Central and State Pollution Control Boards and yearly report is submitted to the respective authorities.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   Nil

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:

   Yes, the Company is a member of the following trade or chamber associations:
   (a) Confederation of Indian Industries (CII)
   (b) Indo-German Chamber of Commerce (IGCC)
   (c) The Bengal Chamber of Commerce and Industry (BCCI)
   (d) Gas Industries Association (GIA)
   (e) All India Industrial Gases Manufacturers' Association (AIIGMA)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

   The Company makes efforts to leverage its membership with Trade and Industry Associations to further contribute on specific sustainable business issues, such as ethics, safety, governance, etc. The Company also conducts annual safety seminars through Gas Industries Association (GIA), which are aimed at creating awareness on safety for best practices for its customers, vendors and public at large.

Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   Linde India Limited is committed to behave responsibly towards people, society and the environment for inclusive growth of the society where it operates and to conserve natural resources. The Company's Corporate Social Responsibility projects and initiatives reach out to different sections of the disadvantaged, underprivileged or differently abled members of the community to make positive impact on their lives in various ways. During the year 2021, these projects and initiatives were in thematic areas such as Education, Health, Livelihood (Skill Development), Environment, and Others (Disaster Relief). The details of the specific CSR projects/initiatives are given in Annual Report on Corporate Social Responsibility annexed to the Directors' Report by way of Annexure-5.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

   Linde India undertakes CSR projects both directly and through external implementing agencies, NGOs and/or Government bodies.

3. Have you done any impact assessment of your initiative?

   Efforts are made to make a general assessment of impact of some of the initiatives. However, no structured impact assessment is put in place at present as the Company's CSR initiatives were not liable for impact assessment during the year 2021.

4. What is your company's direct contribution to community development projects- amount in INR and the details of the projects undertaken?

   During the year, the Company spent Rs. 32.58 million towards various CSR initiatives and projects. The details of the same are given in the Annual Report on CSR, which is annexed as Annexure- 5 to the Directors' Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   It is the Company's endeavors to plan CSR projects and initiatives with the objective of sustainable community development. The project is identified and developed as a facilitator within the CSR Policy framework and presented to the CSR Committee for its review, guidance and approval. The Company endeavours to support the CSR projects/ initiatives over a period of time to make them sustainable. The Company works with the NGOs and implementing agencies of the projects to ensure proper and meaningful adoption of these initiatives among the target community. The Company also encourages volunteering of services by employees in the CSR initiatives/ projects taken up by the Company.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

   The Company has a Customer Service Centre (CSC) in the Gases business, which processes the customer indents, queries and complaints both on a toll-free number and through email. During the year 2021, CSC received and logged a total of 470 customer complaints, out of which, 468 complaints were closed within the year. A total number of 2 open complaints which worked out to 0.42% of the total complaints were pending at the end of the financial year 2021 and are being worked upon for resolution within the Target Resolution timeline.

   During the year, the Plant Manufacturing Works of the Company received 4 customer complaints, which related to materials and services. All the Customer Complaints were resolved as on 31 December 2021 and were audited by ISO 9001:2015 external auditors.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A. /Remarks (additional information)

   Linde India manufactures and supplies various gases such as oxygen, nitrogen, argon categorised under the segments of Industrial Products, Special Products & Chemicals and Medical gases. The product labels comply with the statutory requisites contained in the Gas Cylinder Rules, 2016 and The Legal Metrology (Packaged Commodities) Rules, 2011. Additionally, the Company also complies with Indian Pharmacopoeia, 2018 for medical gases. In addition to meeting the requirements of these statutory compliances, the Company also includes a brief pictorial representation of the Gas Cylinder Rules, 2016. A crisp note on the safe handling of the cylinder valve for Industrial and medical gases and precaution for use is also pasted on the body of the cylinders over and above the Statutory guidelines.

   During the year, the Company continued its focus on its LIV® and ENTONOX® product lines in medical gases. The instructions for safe handling of the LIV™ cylinder are displayed on the cylinder sleeve, which is laminated. For Special gases, given the vast range of gas mixtures handled based on specific customer requirements, the gas composition of these mixtures is stencilled on the body of the cylinder. Considering the varied nature and properties of these gas mixtures, a label containing extensive information on the safe handling of the cylinder and precautions for use is also pasted on the body of the cylinder.

   The company also supplies oxygen, nitrogen, argon and medical oxygen in cryogenic liquid form to large sized customers. These liquid products are transported in cryogenic form in Vacuum Insulated Transport Tankers (VITTs) bearing the Linde logo. These tankers follow compliances including safety labelling under Static & Mobile Pressure Vessel (SMPV) Rules and are licensed to operate by the Department of Explosives (CCOE).

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

   No cases were filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti- competitive behaviour during the last five years.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   Linde India believes that understanding customer's perception is vital for any business entity at various touchpoints of a customer's journey. As a critical step in that initiative, the company measures process KPIs for query/complaint resolution process and impact of the CX program by taking customer feedback via Customer survey for various CX metrices. In 2021, the company conducted a pan-India Customer Experience Survey across its gases business to measure Customer Experience metrices. The Net Promoter Score of the company was recorded as +43, which is considered very good in the Gases industry and the Customer Effort Score was 4.0 on a scale of 5. With a view to address concerns of dissatisfied customers, any low score (1 & 2) received in the survey is looked into by the Customer Service Center.

Report on Corporate Governance.

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

Company's philosophy on Code of Governance

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

Board of Directors (Board)

Composition of the Board

Linde India's Board has an appropriate mix of Executive and Non-Executive Directors. The Non-Executive Directors including Independent Directors impart balance to the Board and bring independent judgment in its deliberations and decisions. As on 31 December 2021, the Board of the Company comprised of six Directors, detail whereof is given below:

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

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

Confirmation and Certification

On an annual basis, the Company obtains from each Director, details of their Board and Committee positions he/she occupies in other Companies and changes, if any regarding their directorships. The Company has obtained a certificate dated 24/02/2021 from M/s. P Sarawagi & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such authority and the same forms part of this report.

Board Independence

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

Board Meetings

A calendar of Board and Committee meetings is agreed and circulated in advance to the Directors. Additional meetings are held with prior alignment with the Board members, as and when necessary. During the year under review, video conferencing facility was used to facilitate all meetings of the Board of Directors to enable Directors residing at other locations to participate in the meetings. During the year ended 31 December 2021, eight Board meetings were held on 1 March 2021, 11 May 2021, 17 June 2021, 29 July 2021, 10 August 2021, 1 October 2021, 12 November 2021 and 15 December 2021. The gap between any two consecutive meetings did not exceed one hundred and twenty days.

Board Agenda

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

Information placed before the Board

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

Attendance of Directors at the Board Meetings of the Company held during the year ended 31 December 2021 and the last Annual General Meeting (AGM), Number of other Directorship(s) and other Board Committee Membership(s) held as on 31 December 2021

Name of the Director	Category of directorship	No. of Board meetings during FY 2021		Attendance at the last AGM held on 24 June 2021	No. of other directorship(s)(i)	Other Board Committee membership(s)/ chairmanship(s) (ii)	Directorship in other Listed entities
		Held	Attended				
Mr R J Hughes(iii)	(Chairman) Non-Executive Director	8	8	Yes	-	-	-
Mr A Balakrishnan	Independent Director	8	8	Yes	3	2 [Including 1 as Chairman]	-
Mr J Mehta	Independent Director	8	8	Yes	7	8 [Including 4 as Chairman]	1. JSW Ispat Special Products Ltd. 2. Suryoday Small Finance Bank Ltd.
Dr S Sarin	Independent Director	8	8	Yes	3	1	1. Kirloskar Oil Engines Limited 2. Automotive Axles Limited
Ms C Chan(iii) & (iv)	Non-Executive Director	3	3	N.A.	-	-	-
M Sanganeria(iii)&(v)	Non-Executive Director	5	5	No	-	-	-
Mr A Banerjee	(Managing Director) Executive Director	8	8	Yes	-	-	-

Notes:

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

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

(iii) Director representing the Linde plc Group.

(iv) Ms C Chan, Non-Executive Director resigned from the Board and ceased to be a director of the Company with effect from close of business hours on 17 June 2021.

(v) Ms M Sanganeria was appointed by the Board of Directors as an Additional Director (Non- Executive) with effect from 29 July 2021.

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

Board Membership Criteria

The Nomination and Remuneration Committee of the Company works with the Board to determine the integrity, qualifications, expertise, positive attributes and experience of persons for appointment as Directors with the objective of having a Board with diverse background and experience. The Policy on appointment and removal of Directors and Board Diversity forms part of the Nomination and Remuneration Policy, which is available on the Company's website at www.linde.in.

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

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

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

Independent Directors

As per the provisions of Sections 149 and 152 read with Schedule IV of the Companies Act, 2013 and Rules made thereunder and the SEBI Listing Regulations, the Members had re-appointed Mr A Balakrishnan and Mr J Mehta as Independent Directors of the Company with effect from 1 October 2019 for a second term of five consecutive years and Dr. Shalini Sarin as Independent Director of the Company with effect from 10 July 2018 for a term of five consecutive years. Individual letters of appointment have been issued to the Independent Directors containing the terms and conditions of their appointment, role, duties and liabilities, evaluation process, code of conduct, etc. The specimen letter of appointment issued to the Independent Directors has been posted on the website of the Company at www.linde.in.

Separate Meeting of Independent Directors

During the year 2021, as per the requirement of Schedule IV of the Companies Act, 2013 and SEBI Listing Regulations, a separate meeting of Independent Directors was held on 27 November 2021 by video conference without the presence of the Non-Independent Directors and the members of the Management. The meeting was conducted in an informal manner to enable the Independent Directors to discuss and review the performance of non-independent directors and the Board as a whole, performance of the Chairman of the Company and for assessing the quality, quantity and timeliness of flow of information between the Company management and the Board. The Independent Directors also interact with the non-executive Chairman for providing their inputs in this regard.

Familarisation programmes for Independent Directors

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

Codes and Policies

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

Codes of Conduct

As a member of The Linde plc Group, the Company had adopted Linde plc's Code of Business Integrity applicable to all the employees of the Linde plc Group as the Code of Conduct for all its employees including its Whole time Directors. The Code of Business Integrity has been created by Linde plc to provide valuable information and insight to all its employees to enable them to appropriately deal with ethics and compliance culture within the organization with a view to keep our commitment to all the stakeholders. The Board has also adopted a brief Code of Conduct for the Non- Executive Directors, which is aligned to the Code of Business Integrity. The aforesaid Codes are available on the Company's website at http://www.linde.in/en/investor_relations/codes_and_policies/index.html. All Directors and senior management personnel of the Company as on 31 December 2021 have individually affirmed their compliance with the applicable Code of Conduct. A declaration signed by the Managing Director (CEO) to this effect is enclosed at the end of this report. The Code of Conduct for the Non-Executive Directors is in line with the provisions of Section 149(8) read with Schedule IV of the Companies Act, 2013 and SEBI Listing Regulations and contains brief guidance for professional conduct by the Non-Executive Independent Directors.

Code of Conduct for Prohibition of Insider Trading

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

With a view to ensure compliance with SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018 and SEBI (Prohibition of Insider Trading) Amendment Regulations,2019, the Company has created a digital database of designated persons to put in place a system of internal controls in this regard.

Risk Management

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

In order to ensure compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Amendment Regulations, 2018, the Board of Directors of the Company had in the year 2019 constituted a Risk Management Committee of the Board comprising of two Independent Directors and the Managing Director and had also laid down its terms of reference. The details of the Committee are furnished in this report under the head-Committees of the Board. The Risk Management Committee provides a sharper focus to the risk management process and helps review of the risks in more detail. At the meeting of the Risk Management Committee held on 12 November 2021, the Company designated Mr Pawan Marda, Director- Corporate Affairs and Company Secretary of the Company as its Chief Risk Officer with effect from that date.

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

CEO/CFO Certification

The Managing Director (CEO) and the Chief Financial Officer (CFO) of the Company have certified to the Board pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations read with Part B of Schedule II thereof, that all the requirements of the SEBI Listing Regulations, inter alia, dealing with the review of financial statements and cash flow statement for the year ended 31 December 2021, transactions entered into by the Company during the said year, their responsibility for establishing and maintaining internal control systems for financial reporting and evaluation of the effectiveness of the internal control system and making of necessary disclosures to the Auditors and the Audit Committee have been duly complied with. A copy of the aforesaid certification is annexed to this Report.

Committees of the Board

As on 31 December 2021, the Company had five committees of the Board of Directors – Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

The minutes of all Board and Committee meetings are placed before the Board and noted by the Directors at the Board meetings. The role, composition and terms of reference of Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee including the number of meetings held during the year ended 31 December 2021 and the related attendance are as follows:

Audit Committee

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

Terms of Reference

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

a) Overview of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
b) Recommend to the Board appointment, remuneration and terms of appointment of auditors of the Company;
c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
d) Reviewing with the management the annual financial statements and auditor's report thereon before submission to the Board for approval with particular reference to:

    i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;
    ii. Changes, if any, in accounting policies and practices and reasons for the same;
    iii. Major accounting entries involving estimates based on the exercise of judgement by management;
    iv. Significant adjustments made in the financial statements arising out of audit findings;
    v. Compliance with listing and other legal requirements relating to financial statements;
    vi. Disclosure of any related party transactions;
    vii. Modified opinion(s) in the draft audit report.

e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
f) Reviewing with the management the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
g) Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
h) Reviewing the adequacy and effectiveness of Internal Audit function, the internal control system of the Company, structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
i) Discussion with internal auditors on any significant findings and follow up thereon;
j) Reviewing the findings of any investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board;
k) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
l) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
m) Reviewing the functioning of Whistle Blower mechanism;
n) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
o) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
p) Scrutiny of inter-corporate loans and investments;
q) Approval of related party transactions and any subsequent modification/ratification of transactions of the Company with related parties;
r) Valuation of undertakings or assets of the Company, wherever it is necessary;
s) Evaluation of internal financial controls and risk management systems;
t) Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding Rs.100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances /investments existing as on 1 April 2019 (the date of coming into force of this provision);

u) Generally, all items listed in Section 177 of the Companies Act, 2013 and Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

v) To carry out any other function as mandated by the Board from time to time and/or enforced by any statutory modification(s) and/ or re-enactment(s) of the applicable law for the time being in force;

w) The Audit Committee shall also review the following information pursuant to Part C (Item B) of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

   i. Management discussion and analysis of financial condition and results of operations;
   ii. Statement of significant related party transactions (as defined by the audit committee) submitted by the management;
   iii. Management letters /letters of internal control weaknesses issued by the statutory auditors;
   iv. Internal audit reports relating to internal control weaknesses;
   v. Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
   vi. Statement of deviations:
      - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32 (1);
      - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32 (7).

Composition

The composition of the Audit Committee has been in accordance with the requirement of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013. As on 31 December 2021, the Committee comprised of four Non-Executive Directors, three of whom, including the Chairman of the Committee were Independent Directors. Mr J Mehta, Independent Director (Chairman of the Committee), Mr R J Hughes, a Non-Executive Director representing The Linde plc Group, Mr A Balakrishnan, Independent Director and Dr S Sarin, Independent Director were the Members of the Committee. As per the requirement of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013, all members of the Audit Committee are financially literate with at least one member having expertise in accounting or related financial management. The Chairman of the Audit Committee attended the Annual General Meeting of the Company held on 24 June 2021.

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

Meetings and Attendance during the year

Five meetings of the Audit Committee were held during the year ended 31 December 2021. The meetings were held on 1 March 2021, 11 May 2021, 10 August 2021, 1 October 2021 and 12 November 2021. The gap between any two consecutive meetings did not exceed one hundred and twenty days. The attendance of the Members at these meetings was as follows:

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

Nomination and Remuneration Committee (NRC)

Terms of Reference

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

a) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment/removal;

b) Formulating the criteria for determining qualifications, positive attributes and independence of a Director and to recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;

c) Formulating the criteria for evaluation of performance of Independent Directors and the Board, its committees and individual directors and specifying the manner for effective evaluation of their performance to be carried out either by the Board or the Committee and reviewing its implementation;

d) Devising a policy on Board diversity;

e) Recommending/reviewing remuneration of the Managing Director and Wholetime Director(s) based on performance and defined assessment criteria;

f) Recommending policy for selection and appointment of Directors, Key Managerial Personnel and other senior management positions;

g) Carrying out succession planning for the Board level and key management positions;

h) Recommending extension/continuance of the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

i) Recommending to the Board all remuneration payable to senior management; and

j) To carry out any other function as mandated by the Board from time to time and/or enforced by any statutory modification(s) and/ or re-enactment(s) of the applicable law for the time being in force.

Composition

As on 31 December 2021, the Committee comprised of three Non-Executive Directors, two of whom including the Chairman of the Committee were Independent Directors. Mr A Balakrishnan, Independent Director (Chairman of the Committee), Mr J Mehta, Independent Director and Mr R J Hughes, a Non-Executive Director representing The Linde plc Group were the Members of the Committee as on 31 December 2021.

Meetings and Attendance during the year

During the year ended 31 December 2021, two meetings of the Committee were held on 11 May 2021 and 12 November 2021. The attendance of the Members at the said meeting was as follows:

Name of the Director	No. of meetings held during tenure	No. of meetings attended
Mr A Balakrishnan	2	2
Mr R J Hughes	2	2
Mr J Mehta	2	2

Board Performance Evaluation

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

During the year, the Nomination and Remuneration Committee of the Board reviewed and approved the process and various attributes considered in the previous year for evaluating the performance of the Board, its Committees and individual directors. As a result of the review, the performance evaluation form for the year 2021 was approved by the Nomination and Remuneration Committee of the Board. As per the earlier years, the Company had provided an online platform to the Directors for participating in the aforesaid performance evaluation process, which contained a structured questionnaire for seeking feedback from the directors on certain pre-defined attributes applicable to them, including some specific ones for the Independent Directors and similar attributes for the Board as a whole and its Committees as approved by the NRC. In respect of Independent Directors, the criteria or the attributes included ensuring independence and avoiding conflict of interest, safeguarding the interest of minority shareholders, application of independent judgement while taking decisions at the Board Meeting and ensuring adequate deliberations while approving material decisions including Related Party Transactions. Subsequently, the Independent Directors at their separate meeting held on 27 November 2021, reviewed the performance of the Board, Chairman of the Board and the Non-Independent Directors and also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board. The Chairman of the Board was thereafter briefed on the outcome of the review carried out by the Independent Directors.

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

Nomination and Remuneration Policy

The Board of Directors of the Company has on the recommendation of the Nomination and Remuneration Committee of the Board approved a Nomination and Remuneration Policy of the Company which, inter alia, covers policy on appointment, remuneration and removal of Directors, Key Managerial Personnel and Senior Management, policy on succession planning and policy on Board diversity. This policy is available in the Investor Relations section of the Company's website at www.linde.in.

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

Non-Executive/Independent Directors of the Company receive remuneration by way of fees for attending meetings of the Board or Committee thereof as approved by the Board from time to time within the prescribed limits under the Companies Act, 2013. Non-Executive Independent Directors may also be paid commission as approved by the shareholders subject to a limit of 1% of the net profits of the Company computed under the applicable provisions of the Companies Act, 2013. The Commission payable to the Independent Directors is determined by the Board within the aforesaid limit of 1% of the net profits after taking into account their attendance and roles and responsibilities in various Committees of the Board and the overall contribution.

The Non-Executive Directors, other than the Directors representing The Linde plc Group, were paid a sum of Rs. 50,000/- as sitting fees for attending each meeting of the Board of Directors and Audit Committee and a sitting fee of Rs. 25,000/- for attending each meeting of the Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee of the Board.

Details of Remuneration to Executive/Wholetime Director(s)

Details of remuneration to Executive/Wholetime Director during the year ended 31 December 2021 is given below:

in Rupees

Name of the Director	Salary and Allowances	Performance linked incentive/pay	Contribution to Provident and other Funds	Perquisites/ Other Benefits	Total
Mr A Banerjee, Managing Director	13,265,209	7,086,458	622,491	1,081,432	22,055,590

The Agreement entered into with Mr A Banerjee is for a period of 3 years from the date of his appointment, i.e., 23 July 2019. The terms and conditions of the appointment including remuneration payable to Managing Director were set out in the Agreement dated 23 July 2019 entered into by him with the Company. The said appointment along with the terms and conditions was approved by way of a special resolution passed by the Members of the Company on 2 October 2019. The Agreement with the Managing Director can be terminated by either party by giving not less than six months' notice in writing. The Agreement does not provide for payment of any severance fees.

Presently, the Company does not have a scheme for grant of stock options to its employees. As a part of the terms and conditions of the appointment approved by the Nomination and Remuneration Committee, the Board and the Shareholders of the Company, the Managing Director is entitled to Long Term Incentive Payment under which he is granted stock options of the equity shares in Linde plc.

Details of Remuneration to Non-Executive Directors

Details of remuneration paid/payable to the Non-Executive Independent Directors during the year ended 31 December 2021 is given below:

in Rupees

Name of the Director	Sitting Fees Paid	Commission payable for the year 2021
Mr A Balakrishnan, Independent Director	8,50,000	16,00,000
Mr J Mehta, Independent Director	7,75,000	20,25,000
Dr S Sarin, Independent Director	7,25,000	14,50,000
Total	**23,50,000**	**50,75,000**

In accordance with the approval of the Shareholders in the Annual General Meeting held on 18 September 2020, the payment of commission to Non-Executive Independent Directors, other than the Directors representing the Linde plc Group has been determined by the Board, which is well within the ceiling of 1% of net profits of the Company for the year ended 31 December 2021 as computed under the applicable provisions of the Companies Act, 2013. The allocation of commission amongst the eligible Non- Executive Independent Directors has been decided by the Board on the basis of the Board/Committee Meetings attended and their role/responsibility as Chairman/Member of the Committees of the Board with each interested director present not participating in the deliberations in respect of his/her own commission. The commission for the financial year 2021 would be paid to Independent Directors subject to deduction of tax after adoption of the financial statements by the Members at the ensuing Annual General Meeting.

In addition to the sitting fees and commission, the Company pays/ reimburses expenses incurred by the Non-Executive/Independent Directors for attending the Board and Committee meetings and general meetings of the Members of the Company.

Other than the above, the Non-Executive Directors do not have any pecuniary relationship or transactions with the Company.

None of the Directors held any shares in the Company as on 31 December 2021.

Stakeholders' Relationship Committee

Terms of Reference

The terms of reference of Stakeholders' Relationship Committee, inter alia, include the following:

a) Monitoring/resolving grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.;
b) Reviewing measures taken for effective exercise of voting rights by shareholders;
c) Reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the Company's Registrar & Share Transfer Agent;
d) Reviewing various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders;
e) Recommending methods to upgrade the standard of services to investors, shareholders and other security holders;
f) To carry out any other function as mandated by the Board from time to time and/or enforced by any statutory modification(s) and/ or re-enactment(s) of the applicable law for the time being in force.

Composition

As on 31 December 2021, the Stakeholders' Relationship Committee comprised of three Directors, two of whom including the Chairman of the Committee were Non-Executive Independent Directors. The names of the Members are Mr. A Balakrishnan, Non-Executive Independent Director (Chairman of the Committee), Mr J Mehta, Non-Executive Independent Director and Mr A Banerjee, Managing Director of the Company.

The Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance during the year:

During the year ended 31 December 2021, two meetings of the Committee were held on 1 March 2021 and 1 October 2021. The attendance of the Members at the meeting was as follows:

Name of the Director	No. of meetings held during tenure	No. of meetings attended
Mr A Balakrishnan	2	2
Mr J Mehta	2	2
Mr A Banerjee	2	2

The Board of Directors has delegated the power of approving the share transfers (as applicable), transmission, etc. to the Managing Director and Company Secretary of the Company for expediting these processes. During the year, the Committee of Delegates met at regular intervals to dispose of all stipulated matters relating to share transfers, transmission, issue of duplicate share certificates, etc. with a view to meet the timeline for registering the transfer/transmission, etc. of equity shares. SEBI had vide its press release no. 12/2019 dated 27 March 2019 mandated that with effect from 1 April 2019, requests for effecting transfer of shares shall not be processed unless the securities are held in dematerialized form with a depository, except in case of transmission or transposition of securities.

Compliance Officer

The Board of Directors has designated Mr Pawan Marda, Director-Corporate Affairs and Company Secretary of the Company as the Compliance Officer.

Shareholders' Complaints

During the year ended 31 December 2021, the Company received 10 complaints from the shareholders/investors. As on 31 December 2021, four shareholder/investor complaints were pending. It is the endeavour of the Company to attend to all such complaints and other correspondence within a period of 15 days, except in cases constrained by disputes or legal impediments. During the year, the average time for responding to shareholders queries/ complaints was higher than internal standards set forth partly in view of the challenging situation arising from most of the Company's employees working from home as per Company's guidelines due to Covid-19 pandemic to prevent avoidable spread of the Covid-19 infections and also due to unsatisfactory service levels of the erstwhile RTA to deal with shareholder matters. During the year, the Board of Directors of the Company had at its meeting held on 12 November 2021 appointed KFin Technologies Pvt. Ltd. as its new Registrar and Share Transfer Agent in place of Link Intime India Pvt. Ltd. to improve the overall service levels to the shareholders. The Company hopes to improve the investor services once the transition of the registry services is properly completed to the new RTA.

Pending Share Transfers & Dematerialisation Requests

The Company's shares are required to be compulsorily traded in electronic form. In line with the press release no.12/2019 dated 27 March 2019 issued by SEBI, with effect from 1 April 2019, the transfer of shares in physical form has been prohibited except in case of transmission or transposition. During the year ended 31 December 2021, the Company did not process any shares for transfer in physical form (re-lodgement cases). As on 31 December 2021, no request for transfer and/or dematerialization of shares was pending.

Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee of the Company was constituted by the Board on 7 February 2014 in compliance with the provisions of Section 135 of the Companies Act, 2013.

Terms of Reference

The brief terms of reference of CSR Committee are as follows:

a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the CSR activities to be undertaken by the Company as specified in the Companies Act, 2013;
b) Recommend the amount of expenditure to be incurred on CSR activities; and
c) Monitor the CSR Policy of the Company from time to time.

Composition

As on 31 December 2021, the CSR Committee comprised of three Directors- two Non-Executive Independent Directors, viz. Dr. S Sarin (Chairperson of the Committee) and Mr A Balakrishnan and Mr A Banerjee, Managing Director of the Company.

Meetings and Attendance during the year:

During the year ended 31 December 2021, three meetings of the Committee were held on 1 March 2021, 11 May 2021 and 12 November 2021. The attendance of the Members at the meetings was as follows:

Name of the Director	No. of meetings held during tenure	No. of meetings attended
Dr S Sarin	3	3
Mr A Balakrishnan	3	3
Mr A Banerjee	3	3

Risk Management Committee

The Risk Management Committee of the Board of Directors of the Company was constituted by the Board at its meeting held on 22 March 2019 in compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. During the year under review, the Board of Directors of the Company had revised the terms of reference, frequency, etc. of the Risk Management Committee to align its role, frequency of the meetings etc. as per the amendments made in SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 vide its notification dated 5 May 2021 in this regard. As per the aforesaid amendment made on 5 May 2021, the Risk Management Committee is required to meet at least twice in a year and its meetings shall be conducted in such a manner that on a continuous basis not more than 180 days shall elapse between any two consecutive meetings. As per the earlier provision in SEBI Listing Regulations applicable in this regard, which was in force at the beginning of the Company's financial year 2021, the Company was required to hold only one meeting during the year 2021, which was scheduled and held on 12 November 2021. The aforesaid amendment and its compliance is deemed prospective and the Company has accordingly scheduled two meetings of the Risk Management Committee in the next financial year 2022 in the months of May and November 2022 to ensure due compliance with the amended provisions.

Terms of Reference

The terms of reference of the Risk Management Committee are as follows:

a) Identifying and assessing various internal and external risks across the Company and to suggest measures to minimize and/ or mitigate the significant risks;
b) Reviewing the Risk Management Policy of the Company, at least once in two years and ensuring implementation of the same including evaluating the adequacy of risk management systems;
c) Obtaining on a regular basis reasonable assurance that-
   i. the Company's risk management policies for significant risks are being adhered to;
   ii. all the known and emerging risks have been identified and being mitigated or managed;
d) Evaluating on a regular basis, the effectiveness and prudence of senior management in managing the risks to which the Company is exposed to;
e) Monitoring adoption of new technology and reviewing the adequacy of cyber security functions and recommending measures to mitigate risks;
f) Determining the risk appetite of the Company particularly and to make recommendations on the same to the Board of Directors;
g) Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions;
h) Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
i) Dealing with such matters as may be delegated / referred to by the Board of Directors and to carry out any other function as mandated by the Board from time to time and/or enforced by any statutory modification(s) and/ or re-enactment(s) of the applicable law for the time being in force.

Composition

As on 31 December 2021, the Committee comprised of three Directors- two Independent Directors viz., Mr A Balakrishnan (Chairman of the Committee) and Mr. J Mehta. Mr A Banerjee, Managing Director of the Company is the other member of the Committee.

Meetings and Attendance during the year:

During the year ended 31 December 2021, one meeting of the Committee was held on 12 November 2021. The attendance of the Members at the meeting was as follows:

Name of the Director	No. of meetings held during tenure	No. of meetings attended
Mr A Balakrishnan	1	1
Mr J Mehta	1	1
Mr A Banerjee	1	1

General Body Meetings

A) **Location and time for last three Annual General Meetings (AGM) and details of special resolutions passed:**

Financial Year	Date of AGM	Venue	Time	No. of Special Resolution(s) passed
Year ended 31 December 2020	24 June 2021	AGM by way of Video Conference (VC)/ Other Audio Visual Means (OAVM)	10.00 a.m.	None
Year ended 31 December 2019	18 September 2020	AGM by way of Video Conference (VC)/ Other Audio Visual Means (OAVM)	10.00 a.m.	None
Year ended 31 December 2018	16 May 2019	Kala Mandir Auditorium, Kolkata	3.00 p.m.	None

B) Postal Ballot:

During the year ended 31 December 2021, no resolution was passed through Postal Ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing a resolution through Postal Ballot. No special resolution is proposed to be conducted through Postal Ballot at the ensuing Annual General Meeting. The Company will seek shareholders' approval through Postal Ballot, whenever required, in respect of resolutions relating to such businesses as are prescribed in the Companies Act, 2013.

Appointment/Re-appointment of Directors:

Information about Directors proposed to be appointed/re-appointed as required under Regulation 36(3) of SEBI Listing Regulations is furnished under Note 34 of the Notice of the ensuing Annual General Meeting.

Means of Communication

- The unaudited quarterly standalone financial results in respect of the first three quarters of the financial year 2021 were approved, taken on record and submitted to the Stock Exchanges as per the SEBI Listing Regulations along with "limited review report" within forty five days of the close of the relevant quarter. Audited standalone and consolidated financial results in respect of the last quarter and year ended 31 December 2021 were submitted to the Stock Exchanges as per the SEBI Listing Regulations with a note stating that the figures for the three months ended 31 December were published as balancing figures between audited figures in respect of the full financial year and the year to date figures up to nine months ended 30 September of the respective financial year. Also, figures for the three months ended 31 December 2021 were reviewed and not subjected to audit.

- The extracts of the consolidated unaudited quarterly financial results and the extracts of the audited consolidated financial results for the year ended 31 December have been published during the year in prominent financial newspapers, viz. Business Standard, Kolkata edition (in English), and Aaj Kaal, Kolkata edition (in vernacular language - Bengali).

- The Company has its own functional website www.linde.in as required by the SEBI Listing Regulations, where information about the Company, quarterly and annual audited financial results, annual reports, distribution of shareholding at the end of each quarter, official press releases, information required to be disclosed under Regulation 30(8) and 46 of the SEBI Listing Regulations, etc. are regularly updated. The Company is presently revamping its website to make it more user friendly and also to provide a better experience to the investors and other stakeholders.

- Management Discussion and Analysis is a part of the Directors' Report.

- All material events/information relating to the Company that could influence the market price of its securities or investment decisions are timely disclosed to the Stock Exchanges as per the Company's Policy on determination of materiality of events framed under the SEBI Listing Regulations. All disclosures under this policy are also displayed on the Company's website and hosted for a minimum period of five years and thereafter as per the Archival Policy of the Company. The Policy on determination of materiality of events and Archival Policy of the Company is available on the Company's website at www.linde.in.

- During the year under review, the Company did not make any presentation(s) to investors/analysts other than the presentation made at the 85th Annual General Meeting of the Company held on 24 June 2021. The earlier presentation(s) are posted on the Company's website at www.linde.in.

- The Company has an exclusive section on "Investor Relations" in its website "www.linde.in" for the purpose of giving necessary information to the Shareholders on various matters including financial results, annual reports, dividends, codes and policies, disclosures/notices sent to stock exchanges, shareholding pattern, compliance reports, postal ballots, CSR, etc. Besides, information relating to green initiative, process of filing claim for refund of dividends and shares from the IEPF Authority, information relating to transfers made by the Company to IEPF Authority, procedure for registration of PAN, KYC details and nomination etc. are also available on the investor relations section. These information, procedures, formats, etc. are available on the aforesaid website in downloadable formats as a measure of added convenience to the investors.

Other Disclosures

- Materially significant related party transactions (i.e., transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc.) that may have potential conflict with the interests of the Company at large:

  None of the transactions with any of the related parties were in conflict with the interests of the Company. However, the related party disclosures about list of related parties and the transactions with them given under Note 45 of Notes to the Standalone Financial Statements for the year ended 31 December 2021 may be referred. All related party transactions are in the ordinary course of business and are at arm's length.

  Pursuant to the provisions of Section 188 of the Companies Act, 2013 and Clause 49 of the erstwhile Listing Agreement (now Regulation 23(4) of the SEBI Listing Regulations), all contracts/ agreements/ arrangements whether existing or to be entered into by the Company with Linde AG, (now known as Linde GmbH) (intermediary holding company) for purchase/ sale of plant, equipment, critical spares, gases in bulk or in cylinders, etc. and for rendering or availing of services, borrowings and interest thereon and/or other related transactions on an ongoing basis in every financial year subject to an aggregate limit of Rs.10,000 million for the total value of all such transactions in each financial year of the Company were approved by the shareholders of the Company through Postal Ballot on 9 September 2014.

- Policy on dealing with Related Party Transactions:
  The Policy on dealing with Related Party Transactions is available on the Company's website at http://www.linde.in/en/investor_relations/codes_and_policies/index.html.

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

  During the year 2021, no complaint alleging sexual harassment was received by the Company.

- Details of non-compliance by the company, penalties, strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority, on any matter related to the capital markets, during the last three years:
  No penalties or strictures have been imposed by Stock Exchange(s), SEBI or any statutory authority on any matter related to capital markets during the last three years.

- Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:
  The Linde plc Group encourages all employees who have concerns about their work or the business of the Company, to discuss these issues with their line managers. The employees also have free access to Human Resources, Internal Audit and Legal Services Department for resolving their concerns. No employee has been denied access to the Audit Committee.

  As per the requirement of the Companies Act, 2013 and the SEBI Listing Regulations, the Company has framed its Whistle Blower Policy to enable all employees and the directors to report in good faith any violation of its Code of Business Integrity as enumerated in the Policy. The whistle blowers may also lodge their complaints/concern with the Chairman of the Audit Committee, whose contact details are provided in the Whistle Blower Policy of the Company. The Policy also offers appropriate protection to the whistle blowers from victimization, harassment or disciplinary proceedings.

- Web link where policy on determining 'material' subsidiaries is disclosed:
  The Company does not have any subsidiary.

- Details of Compliance with mandatory requirements:
  The Company has complied with all the applicable mandatory requirements of the Code of Corporate Governance as prescribed under the SEBI Listing Regulations.

- Details of compliance with non-mandatory (discretionary) requirements:
  The Company complies with the following non-mandatory (discretionary) requirements as specified in Part E of Schedule II of the SEBI Listing Regulations:

The Board
The Chairman of the Company is a Non-Executive Director representing the Linde plc Group. However, the Company is not maintaining an exclusive Chairman's office at its expense.

Shareholders' Rights
The quarterly, half yearly and annual financial results of the Company are published in leading newspapers and are also posted on the Company's website. Significant press releases, whenever issued, are also posted on the website in the News and Media section.

In view of the prevailing situation owing to difficulties involved in despatching of the physical copies of the financial statements and reports, the Company had sent Annual Reports for the year 2020 together with Notice of the Annual General Meeting in electronic mode to those shareholders whose e-mail addresses were registered with the Company's RTA or the Depositories for this purpose in compliance with the MCA's General Circular No. 17/2020 dated 13 April 2020 and General Circular No.20/2020 dated 5 May 2020.

Modified opinion(s) in audit report
The Auditors of the Company have issued an unmodified opinion in their report to the Members of the Company on the financial statements for the year ended 31 December 2020.

Separate posts of Chairperson and Chief Executive Officer (Managing Director)
The Company has appointed separate persons to the post of Chairman and Managing Director.

Reporting of Internal Auditor
The Internal Auditor of the Company directly submits its reports to the Audit Committee of the Board. The Internal Auditor is a permanent invitee at the Audit Committee Meetings and regularly attends these Meetings, inter alia, in connection with Audit Plan and Internal Audit Reports.

Fees paid to the Statutory Auditors
During the financial year 2021, the total fees paid by your Company and its subsidiaries to Deloitte Haskins & Sells, LLP, Chartered

Accountants, Statutory Auditors and all the entities in the network firm/network entity of which the Statutory Auditors is a part was Rs. 9.44 million as per details given below:

Rupees in million

Particulars	Amount
Services as Statutory Auditors (including quarterly limited reviews)	4.35
Tax Audit	1.00
Taxation related services	3.50
Other services	0.30
Out-of-pocket expenses	0.29
Total	**9.44**

General Shareholder Information

Date, time & venue of the Annual General Meeting	23 June 2022 at 10.00 a.m. Since the Company's AGM will be conducted through VC/OAVM pursuant to the circulars issued by MCA and SEBI in this regard, as such there is no requirement to have a venue for the AGM.	
Financial Calendar 2021 (tentative and subject to change)	i. Financial Year	January 2022 to December 2022
	ii. First Quarter Results	12 May 2022
	iii. Second Quarter and Half Yearly Results	4 August 2022
	iv. Third Quarter Results	10 November 2022
	v. Audited Annual Results	February 2023
Book Closure Period	03 June 2022 to 23 June 2022 (both days inclusive)	
Dividend Payment Date	On or about 28 June 2022 (if approved by the Members at the AGM)	
Listing on Stock Exchanges	a) BSE Ltd., P. J. Towers, Dalal Street, Mumbai 400 001	
	b) National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400051	
	Annual Listing Fees have been paid to all these stock exchanges for the year 2021-22.	
Stock Code	a) BSE Ltd., Physical: 23457; Demat: 523457	
	b) National Stock Exchange of India Ltd., Symbol: LINDEINDIA	

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund

During the year, pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the 59th unpaid/unclaimed dividend amount of Rs. 658,007/- for the financial year 2013 was transferred to the Investor Education and Protection Fund (IEPF). The details of the said transfer can be viewed at http://www.linde.in/en/investor_relations/dividends/index.html.

Pursuant to the aforesaid provisions, the transfer of equity shares to the Demat Account of the IEPF Authority in respect of which, dividend had remained unpaid/unclaimed for a consecutive period of seven years had also become due in June 2021. In compliance with the aforesaid provisions, the Company had transferred 12,351 equity shares held by 124 shareholders to the demat account of IEPF Authority on 20 July 2021 and 24 July 2021. Details of the same are provided in Note no. 29 of the Notice of the 86th Annual General Meeting. The details of unpaid/unclaimed dividends in respect of the last seven financial years commencing from the financial year 2014 and ending with financial year 2020 and their respective due dates for transferring the same to the IEPF are furnished in Note 27 of the Notice of the 86th Annual General Meeting. The Company is in the process of sending individual notices to the concerned shareholders whose 60th Dividend for the year 2014 have remained unpaid/unclaimed for seven years and would become due for transfer on 22 June 2022. The Company will be taking necessary steps for transferring the next batch of underlying shares to the demat account of IEPF Authority, which would become due on 22 June 2022.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company at http://www.linde.in/en/investor_relations/dividends/iepf-nodalofficer/index.html.

The process for claiming refund of the unpaid/unclaimed dividend and/or the shares transferred by the Company to the IEPF as aforesaid is provided in Note 30 of the Notice of the 86th Annual General Meeting and is also available on http://www.linde.in/en/investor_relations/dividends/process-iepf-rules/index.html.

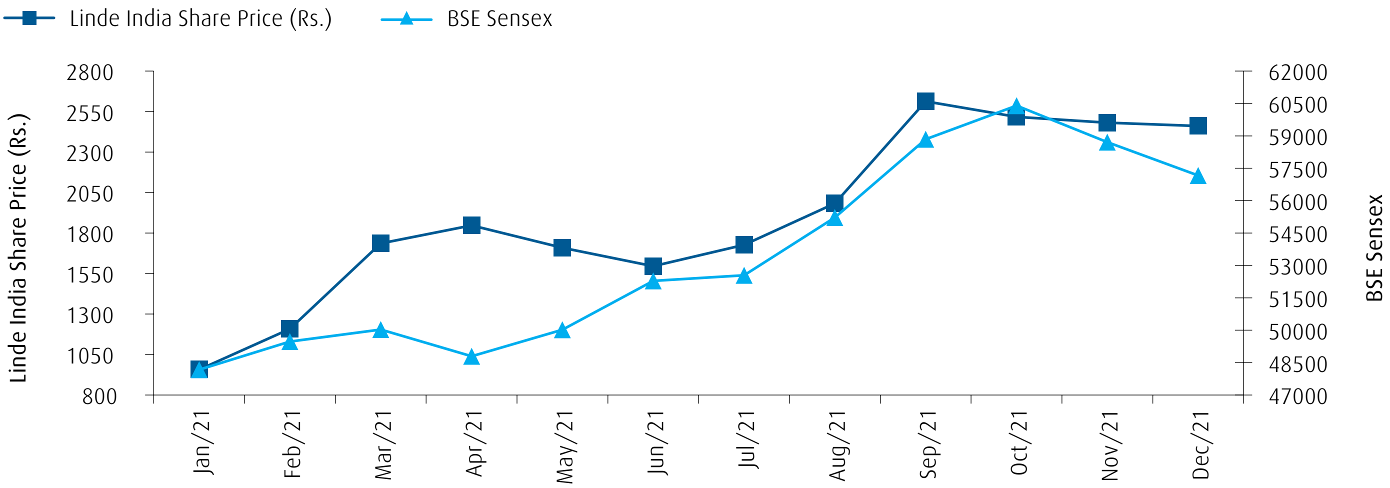
Stock Market Price Data

Monthly high and low quotations and volume of shares traded on BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) during the year ended 31 December 2021:

Month	BSE			NSE		
	High Rs.	Low Rs.	Volume of shares traded	High Rs.	Low Rs.	Volume of shares traded
January 2021	1,029.00	886.00	67,184	1,021.00	885.65	16,80,805
February 2021	1,575.00	886.60	2,24,445	1,574.90	885.50	31,49,691
March 2021	1,933.20	1,574.00	1,37,485	1,930.00	1,575.00	14,36,129
April 2021	2,078.60	1,750.00	2,84,809	2,074.00	1,741.00	24,75,883
May 2021	1,896.65	1,593.00	2,09,740	1,900.00	1,592.55	17,96,740
June 2021	1,683.75	1,503.50	1,45,123	1,685.00	1,526.85	16,93,354
July 2021	1,834.00	1,622.75	1,66,908	1,834.95	1,564.10	24,19,105
August 2021	2,748.85	1,701.85	5,25,140	2,750.00	1,700.90	1,22,46,114
September 2021	2,947.00	2,275.00	5,29,841	2,945.00	2,280.00	86,36,914
October 2021	2,755.00	2,260.95	1,72,477	2,756.80	2,258.70	19,00,446
November 2021	2,684.00	2,299.00	1,36,951	2,670.00	2,300.00	23,95,592
December 2021	2,651.00	2,291.00	1,28,130	2,655.00	2,291.30	17,04,806

Performance of the Company's shares in comparison to broad based indices such as BSE Sensex

LINDE INDIA SHARE PRICE Vs BSE SENSEX (Average Monthly Closing)



Registrar and Transfer Agents	KFin Technologies Pvt. Ltd. (appointed by the Board of Directors at its meeting held on 12 November 2021) Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Contact person: Mr. S V Raju Phone: 91-40-67162222 to 24 Telefax: 91-40-23001153 Email: einward.ris@kfintech.com
Share Transfer System :	During the year, the work relating to Share Registry both in physical and electronic form was handled by Link Intime India Pvt. Ltd. However, with effect from 28 December 2021, in line with the approval of the Board of Directors of the Company at its meeting held on 12 November 2021, KFin Technologies Pvt. Ltd., Hyderabad, were appointed as the new Registrar and Transfer Agents of the Company. In compliance with the requirement of Regulation 40 of SEBI Listing Regulations, all transfers, sub division, consolidation, renewal, exchange, etc. of shares in the Company are processed after they are approved by the Committee of Managing Director and Company Secretary, who have been delegated this power by the Board of Directors for expediting these processes. The Committee of Delegates has now been meeting at regular intervals to dispose of all matters relating to transfer (re-lodgement cases up to 31 March 2021), transmission, etc. Dematerialisation of shares is processed normally within a period of 10 days from the date of receipt of the Demat Request Form.
Dematerialisation of shares and Liquidity:	The Company's shares are compulsorily required to be traded in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL is INE473A01011. As on 31 December 2021, a total of 84,719,007 equity shares of the Company constituting 99.34% of the total Subscribed and Paid-up Share Capital stands dematerialized.

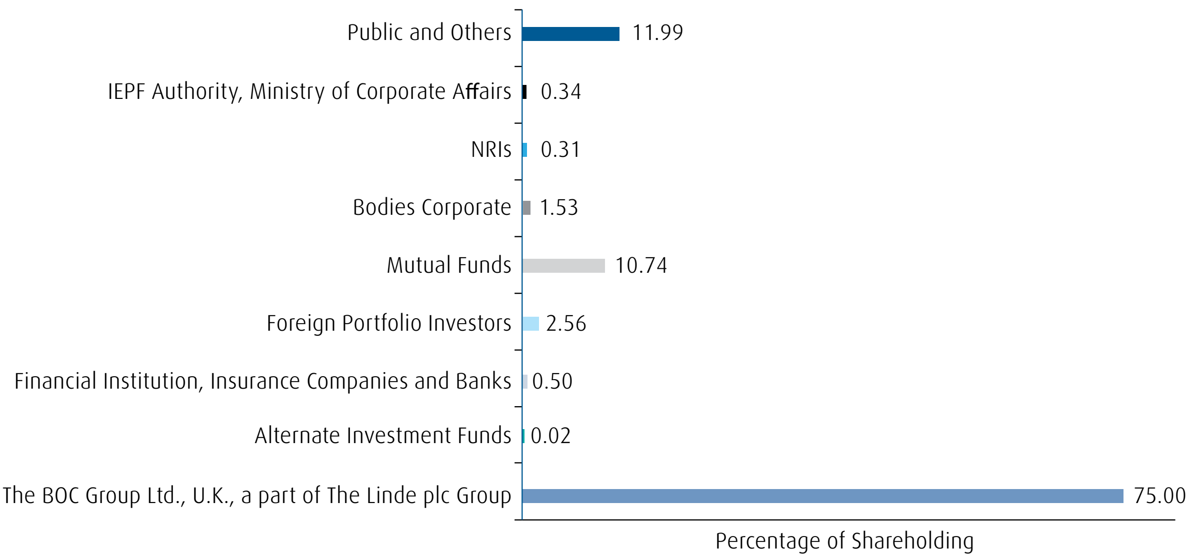
Distribution of shareholding as on 31 December 2021

Number of Shares Slab	Number of Shareholders	% of Shareholders	Number of Shares held	% of Shares held
1-50	33,651	72.76	4,33,339	0.51
51-100	4,557	9.85	3,87,040	0.45
101-250	3,712	8.03	6,44,622	0.76
251-500	2,073	4.48	7,76,590	0.91
501-1000	1,166	2.52	8,75,465	1.03
1001-5000	839	1.81	17,73,388	2.08
5001-10000	106	0.23	7,50,512	0.88
10001-100000	121	0.26	37,31,252	4.38
100001 & Above	28	0.06	7,59,12,015	89.00
Total	**46,253**	**100.00**	**85,284,223**	**100.00**

Shareholding pattern as on 31 December 2021

Category	Number of Shares held	% of Issued & Paid up Share Capital
(A) Foreign Promoters		
The BOC Group Ltd, U.K., a part of the Linde plc Group	63,963,167	75.00
(B) Public Shareholding		
(I) Institutional Shareholding		
Financial Institutions, Insurance Companies & Banks	426,740	0.50
Foreign Portfolio Investors	2,181,970	2.56
Mutual Funds	6,614,664	7.75
Alternate Investment Funds	15,809	0.02
Sub-Total (I)	**9,239,183**	**10.83**
(II) Non-Institutional Shareholding		
Bodies Corporate	1,301,437	1.53
NRIs	260,595	0.31
IEPF Authority, Ministry of Corporate Affairs	292,944	0.34
Public & Others	10,226,897	11.99
Sub-Total (II)	**12,081,873**	**14.17**
Total	85,284,223	100.00

Shareholding Pattern as on 31 December 2021



Credit Rating

The Company's total bank facilities - both fund-based and non-fund based were being rated by CRISIL (CRISIL AA with Stable outlook on its bank facilities). The rating denoted high degree of safety regarding timely servicing of financial obligations. The Company has voluntarily discontinued the credit rating with effect from 1 August 2021.

Outstanding GDRs/ADRs, Warrants or any Convertible instruments, conversion date and likely impact on equity

Not Applicable

Commodity price risk or foreign exchange risk and hedging activities

The Company's Policy is to take forward cover in respect of its major foreign exchange exposures such as for imports, repayment of borrowings & interest thereon denominated in foreign currency and export receivables. The details of foreign exchange exposures are disclosed in Note 43 of Notes to the Standalone Financial Statements for the year ended 31 December 2021.

Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account:

Not Applicable as the Company did not have any unclaimed shares in physical form pursuant to a public or any other issue.

Plant Locations:

Bangalore
Plot No 1& 2 (Part) ,
Survey No. 59/1 & 60,
Sompura Industrial Area,
Dobaspet, 1st Stage,
Bangalore 562 111

Bhadrachalam
107 tpd ASU
C/o. ITC Ltd. Paper Division,
Sarapaka Village,
Bhadradri Kothagudem,
Bhadrachalam, Telangana 507 128

Bhiwadi
Plot No. B-821, RIICO Industrial Area,
Phase II, Dist. Alwar,
Bhiwadi 301 019,
Rajasthan

Dahej
110 tpd ASU
Packaged Gases and Products Plant,
Plot No. D2/19,
Dahej Industrial Estate,
Taluka- Vagra,
Dist. Bharuch,
Gujarat 392 130

Faridabad
Plot No.41, Sector-6,
Faridabad, Haryana 121 006

Jajpur
421 tpd ASU
Jindal Stainless Ltd.,
Kalinganagar Industrial Complex,
Duburi, Dist. Jajpur 755 026

Kalinganagar
2X1000 tpd ASU
C/o. Tata Steel Ltd.,
Kalinganagar Industrial Complex,
Duburi 755 026,
Dist. Jajpur, Odisha

Jamshedpur
2550 tpd ASU
1290 tpd ASU
Industrial Gases Plants,
(500 tpd, 275 tpd x 2)
Packaged Gases and Products Plant,
Long Tom Area, (Behind NML),
Burma Mines,
Jamshedpur 831 007

225 tpd ASU
Near "L" Town Gate,
Opposite Bari Maidan,
Sakchi, Jamshedpur 831 001

Kolkata
Plant Manufacturing Works,
P-41 Taratala Road,
Kolkata 700 088

Pune
B 16/2, MIDC Industrial Area,
Chakan, Village – Nighoje,
Tal – Khed, Dist. Pune 410 501

Rourkela
2x853 tpd ASU
Near Rourkela Steel Plant Fertilizer Gate,
Rourkela Town Unit No. 46,
P.O. Tangrapalli, Dist. Sundargarh,
Rourkela, Odisha 769 007

Selaqui
221 tpd ASU
Khasara No. 122,
MI Central Hope Town,
Twin Indistrial Estate, Phase-II,
Selaqui, Dehradun 248 197

Taloja
450 tpd ASU
T-8, MIDC Industrial Area,
Taloja, Dist. Raigad,
Navi Mumbai 410 208

T-25, MIDC Industrial Area,
Taloja, Dist. Raigad,
Navi Mumbai 410 208

Trichy
Plot No. 30, 31 & 32,
SIDCO Industrial Estate, Mathur,
Dist. Pudukkottai 622 515

Uluberia
P.O. Birshibpur, Uluberia,
Dist. Howrah 711 316

Address for correspondence:

Director – Corporate Affairs and Company Secretary

Linde India Ltd
Oxygen House
P43 Taratala Road
Kolkata-700088, India
Phone: 91-33-66021600
Fax:91-33-24014206
Email: investor.relations.in@linde.com

Note: The Company also owns and operates small onsite plants at various customer locations.

On Behalf Of The Board

R J Hughes	**A Banerjee**
Chairman	Managing Director
DIN: 08493540	DIN: 08456907
Thailand	Kolkata
24 February 2022	24 February 2022

Declaration by the Managing Director (CEO) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of
Linde India Limited

I, Abhijit Banerjee, Managing Director of Linde India Limited declare that to the best of my knowledge and belief, all the Members of the Board and Senior Management Personnel of the Company have affirmed their respective compliance with the applicable Code of Conduct for the year ended 31 December 2021.

Abhijit Banerjee
Managing Director
DIN: 08456907

24 February 2022

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24 February 2022

To
The Board of Directors
Linde India Limited
Oxygen House
P-43, Taratala Road
Kolkata – 700 088

Dear Sirs,

CEO/CFO Certification in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to certify that:

a. We have reviewed the financial statements and the cash flow statement for the year ended 31 December 2021 and that to the best of our knowledge and belief:
   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c. We accept the responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to such financial reporting and have found no deficiencies in the design or operation of internal controls.

d. We have indicated to the Auditors and the Audit Committee:
   i. that there were no significant changes in internal control over financial reporting during the year;
   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   iii. that there were no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Abhijit Banerjee
Managing Director

Anupam Saraf
Chief Financial Officer

Certificate confirming non-disqualification of Directors

[Pursuant to Regulation 34(3) and Clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Linde India Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Linde India Limited (CIN: L40200WB1935PLC008184) having its Registered Office at Oxygen House, P43 Taratala Road, Kolkata – 700 088 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to our verifications including Directors' Identification Number (DIN) status at the portal of the Ministry of Corporate Affairs, as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below, have been debarred or disqualified during the financial year ended 31 December 2021 from being appointed or continuing as director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority:

Sr. No.	Name of Director	DIN	Designation	Date of appointment
1	Mr. Robert John Hughes	08493540	Non-Executive Chairman & Director	28/06/2019
2	Mr. Arun Balakrishnan	00130241	Independent Director	18/10/2011
3	Mr. Jyotin Kantilal Mehta	00033518	Independent Director	19/11/2001
4	Dr. Shalini Sarin	06604529	Independent Director	10/07/2018
5	Ms. Cheryl Wei Ling Chan*	08590180	Non-Executive Director	11/11/2019
6	Ms. Mannu Sanganeria	09243027	Non-Executive Additional Director	29/07/2021
7	Mr. Abhijit Banerjee	08456907	Managing Director	07/06/2019

* Resigned with effect from close of business hours on 17 June 2021.

Ensuring the eligibility of every Director for the appointment/continuity on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For P. SARAWAGI & ASSOCIATES
Company Secretaries

(P. K. Sarawagi)
Proprietor
Membership No. : FCS-3381
Certificate of Practice No. : 4882
Peer Review Certificate No. 1128/2021
ICSI UDIN : F003381C002649992

Place: Kolkata
Date: 24 February 2022

Independent Auditor's Certificate on Corporate Governance

UDIN: 22054785AHRXYH5079
Ref: AB/74

To The Members of Linde India Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated July 26,2021.

2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Linde India Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on December 31, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended December 31, 2021.

9. We 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 Deloitte Haskins & Sells LLP
Chartered Accountants
(ICAI Registration No. 117366W/W-100018)

Abhijit Bandyopadhyay
Partner
Membership No. 054785

Kolkata
24th February, 2022

Standalone Financial Statements

Standalone Balance sheet.

as at 31 December 2021

in Rupees million	Note	As at 31 Dec 2021	As at 31 Dec 2020
ASSETS			
Non-current assets			
Property, plant and equipment	5	18,103.94	19,684.77
Right-of-Use Assets	6	373.20	203.80
Capital work-in-progress	5	680.40	170.58
Goodwill	7A	89.34	-
Other Intangible assets	7B	119.06	3.33
Financial assets			
Investments in joint ventures	8	20.00	20.00
Investments in others	8	0.66	0.39
Other financial assets	9	49.09	33.43
Non current tax assets (Net)	10	146.20	96.79
Other non current assets	11	1,828.79	1,770.06
Total non- current assets (A)		**21,410.68**	**21,983.15**
Current assets			
Inventories	12	691.04	685.91
Financial assets			
Trade receivables	13	3,958.57	4,072.12
Cash and cash equivalents	14	9,832.93	3,241.44
Other balances with bank	15	46.80	17.14
Other financial assets	9	412.33	477.18
Other current assets	11	3,506.52	1,914.96
Total current assets (B)		**18,448.19**	**10,408.75**
Assets classified as held for sale (C)	16	168.12	196.29
TOTAL ASSETS (A+B+C)		40,026.99	32,588.19
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	852.84	852.84
Other equity	18	26,057.38	21,184.36
Total equity (D)		**26,910.22**	**22,037.20**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities		230.37	58.95
Provisions	20	706.63	620.08
Deferred tax liabilities (Net)	21	2,990.77	2,354.13
Other non-current liabilities	22	435.77	415.72
Total non- current liabilities		**4,363.54**	**3,448.88**
Current liabilities			
Financial liabilities			
Lease liabilities		12.56	10.08
Trade payables			
(A) total outstanding dues of micro and small enterprises	23	10.12	3.33
(B) total outstanding dues of creditors other than micro and small enterprises	23	5,867.46	4,512.42
Other financial liabilities	19	570.85	609.82
Provisions	20	406.01	388.56
Other current liabilities	22	1,886.23	1,577.90
Total current liabilities		**8,753.23**	**7,102.11**
Total liabilities (E)		**13,116.77**	**10,550.99**
TOTAL EQUITY AND LIABILITIES (D+E)		40,026.99	32,588.19

The accompanying notes 1 to 50 are an integral part of the financial statements.

In terms of our report attached

for Deloitte Haskins and Sells LLP
Chartered Accountants, (FRN: 117366W/W-100018)

ABHIJIT BANDYOPADHYAY, Partner

Kolkata, 24 February, 2022

For and on behalf of Board of Directors of

Linde India Limited
CIN: L40200WB1935PLC008184

R HUGHES, Chairman DIN : 08493540
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

A SARAF, Chief Financial Officer ACA: 060828
P MARDA, Director - Corporate Affairs & Company Secretary, ACS: 8625

Statement of Standalone Profit and Loss.

for the year ended 31 December 2021

in Rupees million	Note	Year ended 31 Dec 2021	Year ended 31 Dec 2020
INCOME			
Revenue from operations	24	21,119.58	14,711.24
Other income	25	546.63	326.39
TOTAL INCOME (A)		21,666.21	15,037.63
EXPENSES			
Power and fuel		4,028.45	3,470.15
Cost of materials consumed	26	3,931.64	1,712.64
Purchase of stock-in-trade	27	2,911.97	1,785.99
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	26.44	(39.98)
Employee benefits expenses	29	502.48	687.83
Finance costs	30	30.54	62.43
Depreciation and amortisation expense	31	1,813.67	1,760.00
Other expenses	32	4,252.72	3,346.15
TOTAL EXPENSE (B)		17,497.91	12,785.21
Profit before exceptional items and tax C = (A-B)		4,168.30	2,252.42
Exceptional Items (D)	35	2,944.26	111.48
Profit before tax E = (C+D)		7,112.56	2,363.90
Tax Expense			
Current tax	21	1,330.76	397.71
Deferred tax	21	642.36	410.84
TOTAL TAX EXPENSE (F)		1,973.12	808.55
PROFIT FOR THE YEAR (G)= (E-F)		5,139.44	1,555.35
Other comprehensive income			
Items that will not be reclassified to profit or loss		(16.28)	(26.06)
Remeasurement losses on defined benefit plans		(18.93)	(26.16)
Fair value changes of investments in equity shares		2.65	0.10
Income tax relating to items that will not be reclassified to profit or loss		5.71	9.11
Items that will be reclassified to profit or loss		-	-
Fair value changes due to cash flow hedges		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR (H)		(10.57)	(16.95)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (I) = (G+H)		5,128.87	1,538.40
Earnings per equity share :	36		
Basic and Diluted (Rs.)		60.26	18.24

The accompanying notes 1 to 50 are an integral part of the financial statements.

In terms of our report attached

for Deloitte Haskins and Sells LLP
Chartered Accountants, (FRN: 117366W/W-100018)

ABHIJIT BANDYOPADHYAY, Partner

Kolkata, 24 February, 2022

For and on behalf of Board of Directors of

Linde India Limited
CIN: L40200WB1935PLC008184

R HUGHES, Chairman DIN : 08493540
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

A SARAF, Chief Financial Officer ACA: 060828
P MARDA, Director - Corporate Affairs & Company Secretary, ACS: 8625

Statement of Standalone Changes in equity.

for the year ended 31 December 2021

A. Equity share capital

in Rupees million	Equity share capital
Balance as at 1 January 2020	852.84
Changes in equity share capital during the year	-
Balance as at 31 Dec 2020	852.84
Changes in equity share capital during the year	-
Balance as at 31 Dec 2021	852.84

B. Other equity

in Rupees million	Reserve and Surplus			Equity instrument through other comprehensive Income	Total
	Securities Premium Reserve	General Reserves	Retained Earnings		
Balance as at 1 January 2020	6,972.52	995.67	12,547.17	0.19	20,515.55
Profit for the year	-	-	1,555.35	-	1,555.35
Movement in reserve for Ind AS 116	-	-	(16.71)	-	(16.71)
Payment of Dividends	-	-	(852.88)	-	(852.88)
Other Comprehensive Income (net of taxes)	-	-	(17.05)	0.10	(16.95)
Balance as at 31 December 2020	6,972.52	995.67	13,215.88	0.29	21,184.36
Profit for the year	-	-	5,139.44	-	5,139.44
Payment of Dividends	-	-	(255.85)	-	(255.85)
Other Comprehensive Income (net of taxes)	-	-	(13.22)	2.65	(10.57)
Balance as at 31 December 2021	6,972.52	995.67	18,086.25	2.94	26,057.38

The accompanying notes 1 to 50 are an integral part of the financial statements.

In terms of our report attached

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Statement of Standalone Cash Flow.

for the year ended 31 December 2021

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Cash flows from operating activities		
Profit before tax for the year	7,112.56	2,363.90
Adjustments for:		
Depreciation and amortisation expense	1,813.67	1,760.00
Loss on sale of non-current assets	10.26	0.09
Finance costs recognised in profit or loss	30.54	62.43
Interest income on unwinding of security deposits	(1.02)	(0.23)
Interest Income on deposits	(189.07)	(68.42)
Dividends on non-current investments	(216.76)	(145.50)
Interest income on finance lease arrangement	(4.20)	(5.26)
Provision for doubtful receivables	(7.77)	90.35
Provision for warranties (Net)	18.68	51.92
Exceptional items	(2,944.26)	(111.48)
Operating cash flow before working capital changes	5,622.63	3,997.80
Movements in working capital:		
(Increase) / Decrease in trade receivables	4.18	(334.40)
Decrease in financial assets	72.32	11.74
Increase in other current and non-current assets	(1,671.99)	(259.05)
Increase in inventories	(5.12)	(31.87)
Increase in liabilities and provisions	2,619.76	293.89
Cash generated from operations	6,641.78	3,678.11
Income taxes paid (net)	(753.00)	(288.52)
Net cash generated from operating activities	5,888.78	3,389.59
Cash flows from investing activities		
Purchase for property, plant and equipment, Intangibles	(1,367.14)	(704.53)
Proceeds from disposal of property, plant and equipment	16.67	23.67
Advance received for Sale of Asset	-	250.00
Proceeds from disposal of Investments	2.38	-
Proceeds from disposal of Land / Asset Held for Sale	2,477.50	66.52
Income tax paid on profit from disposal of Land / Assets Held for Sale	(514.00)	(367.24)
Investment in Joint Venture	-	(20.00)
Dividends received	189.01	145.50
Interest received	170.14	73.71
Bank deposits (having original maturity of more than 3 months)	9.70	(8.99)
Net cash generated from/(used in) investing activities	984.26	(541.36)
Cash flows from financing activities		
Repayment of borrowings	-	(1,084.72)
Repayment of Lease Liability	(18.01)	(21.17)
Finance cost paid	-	(41.97)
Finance cost on Lease payment	(7.69)	(6.46)
Dividends paid to owners of the Company	(255.85)	(852.88)
Net cash used in financing activities	(281.55)	(2,007.20)
Net increase in cash and cash equivalents	6,591.49	841.03
Cash and cash equivalents at the begining of the year	3,241.44	2,400.41
Cash and cash equivalents at the end of the year	9,832.93	3,241.44

Note: The above Statement of Cash Flow has been prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows

The accompanying notes 1 to 50 are an integral part of the financial statements.

In terms of our report attached

for Deloitte Haskins and Sells LLP
Chartered Accountants, (FRN: 117366W/W-100018)

ABHIJIT BANDYOPADHYAY, Partner

Kolkata, 24 February, 2022

For and on behalf of Board of Directors of

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Notes to Standalone Financial Statements.

for the year ended 31 December 2021

1. Company Overview

Linde India Limited is a public company having Corporate Identity Number L40200WB1935PLC008184. It is incorporated under the Companies Act, 1956 and its shares are listed on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). The Company is primarily engaged in manufacture of industrial and medical gases and construction of cryogenic and non-cryogenic air separation plants.

The functional and presentation currency of the Company is Indian Rupee ("Rs.").

As on 31 December 2021, The BOC Group United Kingdom owns 75% of the ordinary shares of the company and has the ability to control the company's operations.

The financial statement for the year ended 31 December 2021 were approved by the Board of directors and authorized for issue on 24 February 2022.

2. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

a) Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time.

b) Basis of preparation of financial statements

These financial statements have been prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

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

c) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets, provision for employee benefits and other claims, provision and contingent liabilities, recoverability of deferred tax assets.

d) Current – Non-current classification

All assets and liabilities are classified into current and non-current assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in the company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is expected to be realised within 12 months after the reporting date; or
d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is due to be settled within 12 months after the reporting date; or
d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Based on the nature of manufacturing activity and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle for the purpose of current – non-current classification of assets and liabilities:

- as 12 months for the gases and related products of the Company
- as 24 months for the Project Engineering Division of the Company which are engaged in the manufacture and construction of cryogenic and non-cryogenic air separation plants.

e) Revenue recognition

A. Sale of Products

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Statement of Profit & Loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

B. Revenue from Construction

Revenue from construction/project related activity is recognised as follows:

Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognized in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the Company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations).

In addition, the Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

Revenue also includes adjustments made towards liquidated damages and variation wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

C. Interest & Dividend Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Income from dividend is recognised when right to receive payment is established.

D. Other Income

Other Incomes are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

f) Property, Plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation or accumulated impairment loss, if any. Cost of item of property, plant and equipment includes purchase price, taxes, non- refundable duties, freight and other costs that are directly attributable to bringing assets to their working condition for their intended use. Expenses capitalised include applicable borrowing costs for qualifying assets, if any.

This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The residual values, useful lives and method of depreciation of Property, Plant & Equipment is reviewed at each financial year and adjusted prospectively, if any.

Spares that can be used only with particular items of plant and machinery and such usage is expected to be for more than once accounting period are capitalized.

Property, Plant and Equipment under construction are recognized as capital work in progress.

g) Provision for Decommissioning, Restoration and Similar Liabilities

The Company has liabilities related to dismantling (restoration of soil) and other related works, which are due upon the closure of certain of its production sites. Such liabilities are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using a discount rate where the effect of time value of money is material.

Future dismantling costs discounted to net present value, are capitalised and the corresponding dismantling liability is raised as soon as the obligation to incur such costs arises. Future dismantling costs are capitalised in property, plant and equipment as appropriate and are depreciated over the life of the related asset. The effect of the time value of money on the restoration and environmental costs liability is recognised in the statement of profit and loss.

h) Intangible assets

Software and Non- compete fees costs are included in the balance sheet as intangible assets where they are clearly linked to long term economic benefits for the Company. They are measured initially at purchase cost and then amortised on a straight line basis over their estimated useful lives. All other costs on software and non- compete fees are expensed in the statement of profit and loss as and when incurred.

Goodwill arising on acquisition of business is measured at cost less any accumulated impairment loss. Goodwill is assessed at every balance sheet date for any impairment.

Subsequent to initial recognition, intangible assets with definite useful lives are reported at cost less accumulated amortisation and accumulated impairment losses.

i) Depreciation of Property, Plant and Equipment

Depreciation computed as per the straight line method based on the management’s estimate of useful life of a property, plant and equipment which is in accordance with the useful lives of property, plant and equipment indicated in Schedule II of the Act. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised.

For certain assets categorized under “Plant and equipment”, based on internal assessment, the management believes that these assets have useful lives of 10 years, 15 years and 18 years, which is different from the useful lives as prescribed under Part C of Schedule II of the Act.

The following useful lives apply to the different types of tangible assets:

Buildings	10 – 40 years
Plant and Equipment	10 – 18 years
Furniture and fixtures	5 – 10 years
Vehicles	5 – 10 years
Office Equipment	3 – 10 years

Freehold land is not depreciated.

Assets individually costing Rs. 10,000 or less are fully depreciated in the year of acquisition.

Spares capitalized are being depreciated over the useful life / remaining useful life of the plant and machinery with which such spares can be used.

The useful lives are reviewed atleast at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

j) Amortisation of Intangible assets

Intangible assets except Goodwill are amortised in Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis.

The estimated useful lives of Intangible Assets are as follows:

Software	5 Years
Non-compete fee	5 -15 Years
Customer Relationship	25 Years

The useful lives are reviewed atleast at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

k) Impairment
The carrying amounts of property, plant & equipment, capital work in progress and intangible assets are reviewed at each Balance Sheet date, to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amounts are estimated at each reporting date. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-discount rate that reflects the current market assessments of the time value of money. An impairment loss is recognised whenever the carrying amount of an asset or the cash generating unit of which it is a part exceeds the corresponding recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss recognized for goodwill is not reversed in a subsequent period unless the impairment loss was caused by a specific external event of an exceptional nature that is not expected to recur, and subsequent external events have occurred that reverse the effect of that event.

l) Borrowing costs
Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

m) Inventories
Inventories which comprise raw materials, components, stores and spare parts are valued at lower of cost and net realisable value. Cost includes purchase price, duties and taxes (other than those subsequently recoverable by the Company from taxing authorities), freight inward and other expenditure in bringing inventories to present locations and conditions. In determining the cost, weighted average cost method is used. The carrying costs of raw materials, components and stores and spare parts are appropriately written down when there is a decline in replacement cost of such materials and the finished products in which they will be incorporated are expected to be sold below cost.

Finished goods are valued at the lower of cost and net realisable value. The comparison of cost and net realisable value is made on an item by item basis. Cost comprises of direct material and labour expenses and an appropriate portion of production overheads incurred in bringing the inventory to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of the production facilities.

Costs incurred on long term construction contracts representing general purpose item of inventories are disclosed as contract work in progress net of provision for loss.

n) Leases
The Company has adopted Ind AS 116 “Leases” and applied the standard to all lease contracts.

Company as a lessee
The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term. When the lease liability is remeasured due to change in contract terms, a corresponding change is made to the carrying amount of right-of-use asset, or is recorded in the profit and loss account if the carrying amount of right-of-use asset is reduced to zero.

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance lease. Such assets acquired are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

Company as lessor
In respect of assets given on operating lease, the lease rental income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term unless the receipts are

structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

o) Employee benefits

The Company's obligation towards various employee benefits have been recognized as follows:

Short term benefits

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

Post-employment Benefits

Defined contribution plans

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

Defined benefit plans

Recognition and measurement of defined benefit plans:

For defined benefit retirement schemes i.e. gratuity, superannuation and post-retirement medical benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognized immediately in other comprehensive income. Such re-measurements are not re-classified to the Statement of Profit & Loss in the subsequent period. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value of plan assets.

Provident fund administered through Company's trust for certain employees (in accordance with the Provident Fund Regulation) are defined benefit obligations with respect to the yearly interest guarantee. Annual charge is recognized based on actuarial valuation of the Company's related obligation on the reporting date. Actuarial gain or losses for the year are recognized in the Statement of other Comprehensive Income.

Other long-term employee benefits

Compensated absences

Cost of long-term benefit by way of accumulating compensated absences that are expected to be availed after a period of 12 months from period-end are recognized when the employees render the services that increases their entitlement to future compensated absences. Such costs are recognized in the Statement of Profit & Loss on actuarial valuation of related obligation on the reporting date.

Termination Benefits

Termination Benefits, in the nature of voluntary retirement benefits or Termination Benefits arising from restructuring, are recognized in the Statement of Profit & Loss. The Company recognizes Termination Benefits at the earlier of the following dates:

(a) when the Company can no longer withdraw the offer of these benefits, or
(b) when the Company recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value

p) Foreign exchange transactions

Measurement of Foreign Currency items at reporting dates:

Foreign exchange transactions are recorded at the exchange rate prevailing on the date of the transactions. Year-end monetary assets and liabilities denominated in foreign currencies are translated at the year-end foreign exchange rates. Non- Monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction.

Exchange differences arising on settlements/ translations are recognised in the Statement of Profit and Loss.

q) Provisions, contingent liabilities and contingent assets

A provision is created when there is a present obligation (legal or constructive) as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Constructive obligation is an obligation that derives from an entity's actions where:

(a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and;

(b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are generally not recognized but are disclosed when inflow of economic benefit is probable.

Provisions, Contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

r) Income taxes

Tax expense for the year comprises current tax and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction and there is an intention to settle the asset & liability on a net basis.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case tax is also recognized in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

s) Earnings per share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti- dilutive.

t) Financial Instruments

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at Transaction price.

(a) Financial assets

i. Financial assets at amortised cost:

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

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

ii. Financial assets measured at fair value
Fair Value through other comprehensive income (FVTOCI)
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Fair value through the statement of profit and loss (FVTPL)
Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss. Fair value changes are recognized in the Statement of Profit & Loss at each reporting period.

iii. Cash and bank balances
Cash and bank balances consist of:
(i) Cash and cash equivalents - which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.
(ii) Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

Impairment of financial assets:
Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income. The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition. The Impairment losses and reversals are recognized in the Statement of Profit & Loss.

De-recognition of financial assets
The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a collateralised borrowing for the proceeds received. On de-recognition of a Financial Asset (except for Financial Assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit & Loss.

(b) Financial liabilities and equity instruments
Classification as debt or equity
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities
Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

De-recognition of financial liabilities
The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The differences between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit & Loss.

Derivative financial instruments and hedge accounting
The Company enters into forward contracts and principal and interest swap contracts to hedge its risks associated with foreign currency and variable interest rate fluctuations related to existing financial assets and liabilities, certain firm commitments and forecasted transactions. These derivative contracts are being considered as cash flow hedge.

The use of hedging instruments is governed by the Company's policies approved by the Board of Directors. The Company does not use these contracts for trading or speculative purposes.

To designate a forward contract/ swap contract as an effective hedge, management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract whether the contract is effective in offsetting cash flows attributable to the hedged risk.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The Company adopts hedge accounting for forward and interest rate contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item or transaction and the nature of the risk being hedged. At inception each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the statement of profit and loss. The effective portion is recognized in Other Comprehensive Income.

When hedge accounting is applied:

· for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives

· for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in equity and the ineffective portion is taken to the statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

  In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise.

  Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognized in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

u) Investment in Joint Ventures

A joint venture is a joint arrangement whereby the parties have the joint control of the arrangement and have rights to the net assets to joint arrangement. Joint control is contractually agreed sharing of control of an arrangement which exists only when decisions about the relevant activity require unanimous consent of the parties sharing control.

Investment in joint ventures are carried at cost less accumulated impairment, if any.

Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

v) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

w) Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are not depreciated or amortized.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

x) Business Combinations

Business Combinations are accounted for using the acquisition method of accounting, except for common control transactions which are accounted using the pooling of interest method that is accounted at carrying values. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities assumed at their acquisition date i.e. the date on which control is acquired.

Goodwill arising on business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the fair value of net identifiable assets acquired and liabilities assumed. After initial recognition, Goodwill is tested for impairment annually and measured at cost less any accumulated impairment losses if any.

3. New and amended standards adopted by the Company

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from January 01, 2021.

MCA issued notifications dated 24th March, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting January 01, 2022

4. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting principles which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

i) Useful life of Property, Plant and Equipment and Intangible assets

The Company has made in the process of applying its accounting policies that have a significant effect on the amounts recognised in these financial statements pertain to useful life of Property, Plant and Equipment and Intangible assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. Currently, the Intangible assets have been determined to have a finite useful life and are amortised over this useful life.

In terms of Part B of Schedule II of the Companies Act, 2013, the Company has followed the depreciation rates and depreciation method which is reviewed at each year end.

ii) Deferred tax assets

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

iii) Claims, Provisions and Contingent Liabilities

Contingent liabilities arising from past events the existence of which would be confirmed only on occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Company. Or

Contingent liabilities where there is a present obligations but it is not probable that economic benefits would be required to settle the obligations are disclosed in the financial statements unless the possibility of any outflow in settlement is remote.

Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

iv) Impairment of Property, Plant and Equipment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

v) Actuarial Valuation
The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

vi) Revenue Recognition
(i) Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

(ii) Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

5. Property, plant and equipment and Capital work- in- progress

in Rupees million	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total Tangible Assets	Capital work in progress	Total tangible assets including capital work in progress
I.Cost/Deemed cost as at 1 January 2021	**212.27**	**968.33**	**26,767.42**	**45.83**	**48.94**	**166.76**	**28,209.55**	**170.58**	**28,380.13**
Additions	-	35.48	344.47	-	16.13	0.56	396.64	1,114.08	1,510.72
Disposals	(0.76)	(12.55)	(192.43)	(3.15)	(1.23)	(1.35)	(211.47)	-	(211.47)
Assets capitalised during the year	-	-	-	-	-	-	-	(604.26)	(604.26)
Classified as Assets held for sale (refer note 16)	(18.12)	-	-	-	-	-	(18.12)	-	(18.12)
Cost /Deemed cost as at 31 December 2021	**193.39**	**991.26**	**26,919.46**	**42.68**	**63.84**	**165.97**	**28,376.60**	**680.40**	**29,057.00**
II. Accumulated depreciation and impairment									
Balances as at 1 January 2021	**-**	**270.34**	**8,067.30**	**28.93**	**22.20**	**136.01**	**8,524.78**	**-**	**8,524.78**
Depreciation expense for the year	-	43.42	1,713.94	4.37	19.24	14.28	1,795.25	-	1,795.25
Disposals	-	(3.67)	(38.31)	(2.93)	(1.15)	(1.31)	(47.37)	-	(47.37)
Balances as at 31 December 2021	**-**	**310.09**	**9,742.93**	**30.37**	**40.29**	**148.98**	**10,272.66**	**-**	**10,272.66**
Net carrying value as at 31 December 2021	**193.39**	**681.17**	**17,176.53**	**12.31**	**23.55**	**16.99**	**18,103.94**	**680.40**	**18,784.34**
Net carrying value as at 1 January 2021	212.27	697.99	18,700.12	16.90	26.74	30.75	19,684.77	170.58	19,855.35

5. Property, plant and equipment and Capital work- in- progress

in Rupees million	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total Tangible Assets	Capital work in progress	Total tangible assets including capital work in progress
I.Cost/Deemed cost as at 1 January 2020	212.27	930.29	25,864.27	47.36	20.00	182.88	27,257.07	529.39	27,786.46
Additions	-	39.23	1,011.26	0.19	29.91	19.15	1,099.74	661.88	1,761.62
Disposals	-	(1.19)	(108.11)	(1.72)	(0.97)	(35.27)	(147.26)	-	(147.26)
Assets capitalised during the year	-	-	-	-	-	-	-	(1,020.69)	(1,020.69)
Cost /Deemed cost as at 31 December 2020	212.27	968.33	26,767.42	45.83	48.94	166.76	28,209.55	170.58	28,380.13
II. Accumulated depreciation and impairment									
Balances as at 1 January 2020	-	226.94	6,497.30	25.40	13.11	146.28	6,909.03	-	6,909.03
Depreciation expense for the year	-	44.58	1,657.30	5.25	10.04	22.07	1,739.24	-	1,739.24
Disposals	-	(1.18)	(87.30)	(1.72)	(0.95)	(32.34)	(123.49)	-	(123.49)
Balances as at 31 December 2020	-	270.34	8,067.30	28.93	22.20	136.01	8,524.78	-	8,524.78
Net carrying value as at 31 December 2020	212.27	697.99	18,700.12	16.90	26.74	30.75	19,684.77	170.58	19,855.35
Net carrying value as at 1 January 2020	212.27	703.35	19,366.97	21.96	6.89	36.60	20,348.04	529.39	20,877.43

The above includes following assets given on operating lease:

in Rupees million	Buildings	Plant and Equipment	Total Tangible Assets
Cost/Deemed cost as at 1 January 2021	421.16	19,249.27	19,670.43
Accumulated Depreciation	177.33	6,856.74	7,034.07
Net carrying value as at 31 December 2021	243.83	12,392.53	12,636.36
Depreciation expense for the year	19.78	1,154.09	1,173.87
Cost/Deemed cost as at 1 January 2020	421.57	19,355.70	19,777.27
Accumulated Depreciation	157.55	5,702.65	5,860.20
Net carrying value as at 31 December 2020	264.02	13,653.05	13,917.07
Depreciation expense for the year	19.82	1,071.33	1,091.15

6. Right of Use Asset

in Rupees million	Land	Buildings	Plant and Equipment	Total
I. Cost/Deemed cost as at 1 January 2021	171.32	43.29	6.35	220.96
Additions	-	-	184.22	184.22
Disposals	-	-	-	-
Cost/Deemed cost as at 31 December 2021	171.32	43.29	190.57	405.18
II. Accumulated amortisation				
Balances as at 1 January 2021	4.96	11.14	1.06	17.16
Amortisation expense for the period	4.72	6.99	3.11	14.82
Disposals	-	-	-	-
Balances as at 31 December 2021	9.68	18.13	4.17	31.98
Net carrying value as at 31 December 2021	161.64	25.16	186.40	373.20
Net carrying value as at 1 January 2021	166.36	32.15	5.29	203.80

in Rupees million	Land	Buildings	Plant and Equipment	Total
I. As on transition to IND AS 116 1 January 2020	168.32	74.69	6.35	249.36
Additions	3.00	-	-	3.00
Disposals	-	31.40	-	31.40
Cost/Deemed cost as at 31 December 2020	171.32	43.29	6.35	220.96
II. Accumulated amortisation and impairment				
As on transition to IND AS 116 1 January 2020				
Amortisation expense for the period	4.96	11.14	1.06	17.16
Disposals	-	-	-	-
Balances as at 31 December 2020	4.96	11.14	1.06	17.16
Net carrying value as at 31 December 2020	166.36	32.15	5.29	203.80

7A. Goodwill

in Rupees million	Goodwill
I. Cost/Deemed cost as at 1 January 2021	-
Additions	89.34
Cost/Deemed cost as at 31 December 2021	89.34
II. Accumulated Impairment loss	
Balances as at 1 January 2021	-
Impairment losses for the year	-
Balances as at 31 December 2021	-
Net carrying value as at 31 December 2021	89.34
Net carrying value as at 1 January 2021	-

7B. Other Intangible assets

in Rupees million	Software	Non-Compete Fees	Customer Relationship	Total Other Intangible assets
I. Cost/Deemed cost as at 1 January 2021	25.88	7.51	-	33.39
Additions	0.10	11.74	107.49	119.33
Disposals	-	-	-	-
Cost/Deemed cost as at 31 December 2021	25.98	19.25	107.49	152.72
II. Accumulated amortisation and impairment				
Balances as at 1 January 2021	22.55	7.51	-	30.06
Amortisation expense for the year	2.73	0.14	0.73	3.60
Disposals	-	-	-	-
Balances as at 31 December 2021	25.28	7.65	0.73	33.66
Net carrying value as at 31 December 2021	0.70	11.60	106.76	119.06
Net carrying value as at 1 January 2021	3.33	-	-	3.33

in Rupees million	Software	Non-Compete Fees	Customer Relationship	Total Other Intangible assets
I. Cost/Deemed cost as at 1 January 2020	22.30	7.51	-	29.81
Additions	3.58	-	-	3.58
Disposals	-	-	-	-
Cost/Deemed cost as at 31 December 2020	25.88	7.51	-	33.39
II. Accumulated amortisation and impairment				
Balances as at 1 January 2020	18.95	7.51	-	26.46
Amortisation expense for the year	3.60	-	-	3.60
Disposals	-	-	-	-
Balances as at 31 December 2020	22.55	7.51	-	30.06
Net carrying value as at 31 December 2020	3.33	-	-	3.33
Net carrying value as at 1 January 2020	3.35	-	-	3.35

8. Investments

in Rupees million	As at 31 Dec 2021 Quoted	As at 31 Dec 2021 Unquoted	As at 31 Dec 2020 Quoted	As at 31 Dec 2020 Unquoted
Non-Current				
Investments in equity instruments				
Joint venture (classified at cost)				
Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Private Limited)	-	20.00	-	20.00
2,000,000 equity shares of Rs. 10 each				
(31 Dec 2020: 2,000,000 equity shares of Rs. 10 each)				
Others (classified at fair value through OCI)				
Woodlands Multispeciality Hospital Limited*	-	-	-	0.00
Nil equity shares of Rs. 10 each				
(31 Dec 2020: 2,980 equity shares of Rs. 10 each)				
JSW Steel Limited	0.66	-	0.39	-
1,000 shares of Re. 1 each				
(31 Dec 2020: 1,000 of Re. 1 each)				
	0.66	20.00	0.39	20.00

Additional Information				
Aggregate amount of quoted investments and market value thereof	0.66	-	0.39	-
Aggregate amount of unquoted investments	-	20.00		20.00
Aggregate amount of impairment in value of investments*	-	-	-	0.00

* Investment written down to nominal value of Re. 1.00 in the year ending 31 March 2004; it has been sold during the year.

9. Other financial assets

in Rupees million	As at 31 Dec 2021 Non current	As at 31 Dec 2021 Current	As at 31 Dec 2020 Non current	As at 31 Dec 2020 Current
Unsecured, considered good				
Loans to employees	-	4.39	-	0.91
Receivables from related parties for recovery of expenses	-	84.03	-	132.85
Security deposits	38.23	0.44	18.13	8.21
Finance lease receivable	10.86	4.44	15.30	3.49
Claims including escalation	-	273.12	-	195.86
Interest accrued on deposit	-	24.77	-	1.65
Others	-	21.14	-	134.21
	49.09	412.33	33.43	477.18

10. Non Current tax assets (net)

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Advance tax (net of provisions)	146.20	96.79
	146.20	96.79

11. Other assets

in Rupees million	As at 31 Dec 2021		As at 31 Dec 2020	
	Non current	Current	Non current	Current
Unsecured, considered good				
To related parties				
Advances for supplies/ services	-	201.72	-	34.31
To parties other than related parties				
Capital advances	77.49	-	59.81	-
Advances for supplies/ services	-	1,062.03	-	310.57
Advance with public bodies and tax authorities				
Customs, excise, sales tax,etc.	366.57	-	338.21	-
GST receivable	-	412.38	-	464.00
Unbilled revenue	1,276.64	1,816.34	1,271.45	1,073.63
Security deposits	100.76	-	93.13	-
Prepaid expenses	7.33	11.09	7.46	29.45
Advance to employees	-	2.96	-	3.00
	1,828.79	3,506.52	1,770.06	1,914.96

12. Inventories

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Raw materials	9.98	7.98
Work in progress	17.16	18.64
Finished goods	258.98	283.94
Stores and spares	404.92	375.35
	691.04	685.91

i) Finished goods Includes Good in Transit of **Rs. 2.03 million** (31 Dec 2020: Rs.24.76 million)

ii) The value of stores and spares above is after providing for slow moving and obsolete spares of **Rs. 189.17 million** (31 Dec 2020: Rs. 169.43 million)

iii) Cost of inventory recognised as expense during the year amount to **Rs.13,161.50 million** (31 Dec 2020: Rs. 11,032.18 million)

13. Trade receivables

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Trade receivables		
Unsecured, considered good	3,958.57	4,072.12
Credit Impaired	30.67	58.84
Unsecured, considered doubtful	195.30	273.52
Less: Allowance for credit losses	225.97	332.36
	3,958.57	4,072.12

In determining the allowances for credit losses of trade receivables, the company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. In addition to this Company provides for credit loss based on increase in credit risk on case to case basis.

i) Movements in allowance for expected credit losses of receivables is as below:

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Balance at the beginning of the year	332.36	268.52
Allowances made during the year	98.87	144.18
Release to statement of profit and loss	(106.64)	(53.83)
Bad debt written off	(98.62)	(26.51)
Balance at the end of the year	225.97	332.36

Trade Receivables

Out of the Trade receivables **Rs.1,724.15 million** (31 Dec 2020: Rs. 1,315.91 million) is due from the Company's major customers i.e. having more than 5% of total outstanding trade receivables.

ii) There is no outstanding debts due from directors or other officers of the Company.

iii) Ageing of trade receivables and credit risk arising there from as below:

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Amounts not yet due	2,813.51	2,731.36
Three months overdue	639.80	941.09
Between three to twelve months overdue	356.34	308.68
Greater than twelve months overdues	374.89	423.35
	4,184.54	4,404.48

14. Cash and cash equivalents

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Cash in hand *	-	0.01
Balances with banks		
In Current account	80.43	121.88
In Deposit account - Original maturity of 3 months or less	9,752.50	3,119.55
	9,832.93	3,241.44

* Cash in hand represents prepaid cards issued by designated banks to the employees on behalf of the company for business purpose.

15. Other balances with bank

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
In Other deposit accounts		
Original maturity more than 3 months#	1.87	11.59
Earmarked balances with banks		
Escrow Account fixed deposits##	39.36	-
Unclaimed dividend accounts	5.57	5.55
	46.80	17.14

these deposit has been lien marked against earnest money deposits

this deposit is payable after 2 years on satisfaction of terms and conditions

16. Assets classified as held for sale

The Assets classified as held for sale comprises of (i) Investment in Joint Venture company, Bellary Oxygen Company Private Limited (Belloxy), which will get reverse upon liquidation; and (ii) part of the land at Parwada, Vizag has been identified for sale.

During the year, Belloxy has sold its 855 tonnes per day Air Separation Unit and other related assets to JSW Steel Ltd., which form part of the Belloxy Divestment. As a consequence of this, the Hold Separate Arrangement in respect of the Belloxy Divestment has come to an end and CCI has passed its closure order.

The major classes of assets held for sale is as below:

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Assets classified as held for sale:		
Land	18.12	-
Property, plant and equipment	-	40.13
Capital work-in-progress	-	6.16
Investments in joint venture	150.00	150.00
	168.12	196.29

17. Equity Share Capital

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Authorised:		
86,000,000 Equity Shares of Rs. 10 each	860.00	860.00
(31 Dec 2020: 86,000,000 Equity Shares of Rs. 10 each)		
	860.00	860.00
Issued:		
85,286,209 Equity Shares of Rs. 10 each	852.86	852.86
(31 Dec 2020: 85,286,209 Equity Shares of Rs. 10 each)		
Subscribed and paid up :		
85,284,223 Equity Shares of Rs. 10 each	852.84	852.84
(31 Dec 2020: 85,284,223 Equity Shares of Rs. 10 each)		
	852.84	852.84

i) The movement in subscribed and paid up share capital is as below:

in Rupees million		As at 31 Dec 2021		As at 31 Dec 2020
		Share capital		Share capital
	No of Shares	Amount in Rs. Million	No of Shares	Amount in Rs. Million
Balance at the beginning of the year	85,284,223	852.84	85,284,223	852.84
Shares issued during the year	-	-	-	-
Balance at the end of the year	85,284,223	852.84	85,284,223	852.84

ii) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

in Rupees million		As at 31 Dec 2021		As at 31 Dec 2020
	No of Shares	Amount in Rs. Million	No of Shares	Amount in Rs. Million
The BOC Group Ltd,U.K., holding company	63,963,167	639.63	63,963,167	639.63

iii) Particulars of shareholders holding more than 5% shares in the company is as below

in Rupees million	As at 31 Dec 2021		As at 31 Dec 2020	
	No of Shares	% of total shares in class	No of Shares	% of total shares in class
The BOC Group Ltd,U.K., holding company	63,963,167	75.00%	63,963,167	75.00%
Nippon Life India Trustee Limited (Formerly Reliance Capital Trustee Co. Ltd)	4,786,233	5.61%	8,302,068	9.73%

iv) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividend and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholders on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

18. Other equity

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Securities Premium	6,972.52	6,972.52
General Reserve	995.67	995.67
Retained Earnings	18,086.25	13,215.88
Equity instruments through other comprehensive income	2.94	0.29
	26,057.38	21,184.36

18 A. Movement in other equity

in Rupees million	Reserve and Surplus			Equity instruments through other comprehensive Income	Effective Portion of Cash Flow Hedges	Total
	Securities Premium Reserve	General Reserve	Retained Earnings			
Balance as at 1 January 2020	6,972.52	995.67	12,547.17	0.19	-	20,515.55
Profit for the year	-	-	1,555.35	-	-	1,555.35
Movement in reserve for Ind AS 116	-	-	(16.71)	-	-	(16.71)
Payment of Dividends*	-	-	(852.88)	-	-	(852.88)
Other Comprehensive Income (net of taxes)	-	-	(17.05)	0.10	-	(16.95)
Balance as at 31 December 2020	6,972.52	995.67	13,215.88	0.29	-	21,184.36
Profit for the year	-	-	5,139.44	-	-	5,139.44
Payment of Dividends**	-	-	(255.85)	-	-	(255.85)
Other Comprehensive Income (net of taxes)	-	-	(13.22)	2.65	-	(10.57)
Balance as at 31 Dec 2021	6,972.52	995.67	18,086.25	2.94	-	26,057.38

* Dividend of Rs 10.00 per share

** Dividend of Rs 3.00 per share

18 B. Nature and purpose of reserves

(a) Securities Premium

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the "Companies Act").

(b) General Reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in general reserve during the current and previous year.

(c) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(d) Equity instruments through other comprehensive Income

This Reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments measured at fair value through Other Comrehensive Income, net of amounts reclassified, If any, to Retained Earnings when those instruments are disposed off.

(e) Effective portion of Cash Flow Hedges

This Reserve represents the cumulative effective portion of changes in fair value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the financial asset in accordance with the company's accounting policy.

19. Other financial liabilities

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
	Current	Current
Unclaimed dividends	5.57	5.55
Creditors for capital supplies and services	437.69	486.57
Security deposits from customers	118.83	106.91
Other employee liabilities	8.76	10.79
	570.85	609.82

20. Provisions

in Rupees million	As at 31 Dec 2021		As at 31 Dec 2020	
	Non current	Current	Non current	Current
Provision for employee benefits				
Retirement benefits obligations (refer note 39)				
Gratuity	54.57	-	48.01	-
Pension	109.89	-	75.76	-
Post retirement medical benefit	153.44	14.09	150.41	14.43
Other long-term employee benefits				
Compensated absences	31.20	4.66	10.04	1.86
Other provisions				
Asset restoration obligations [refer note (a)]	357.53	-	335.86	-
Provision for warranties [refer note (b)]	-	191.26	-	175.21
Provision for liquidated damages [refer note (c)]	-	-	-	-
Provision for contingencies [refer note (d)]	-	196.00	-	197.06
	706.63	406.01	620.08	388.56

20.1 Movement in other provisions

in Rupees million	Asset restoration obligations	Provision for warranties	Provision for liquidated damages	Provision for contingencies
Balance as at 1 January 2021	335.86	175.21	-	197.06
Add: Provision during the year*	21.67	39.47	-	-
Less: Utilised during the year	-	23.42	-	1.06
Less: Reversed during the year	-	-	-	-
Balance as at 31 December 2021	**357.53**	**191.26**	**-**	**196.00**
Balance as at 1 January 2020	298.14	130.68	23.66	287.95
Add: Provision during the year*	37.72	86.07	-	2.41
Less: Utilised during the year	-	41.54	-	66.33
Less: Reversed during the year	-	-	23.66	26.97
Balance as at 31 December 2020	**335.86**	**175.21**	**-**	**197.06**

* Includes **Rs 22.85 millions** (31 Dec 2020: Rs 21.40 millions) on account of unwinding of interest for asset restoration obligation.

(a) Provision for asset restoration obligation
Provision is towards estimated cost to be incurred on dismantling of plants at the customers' site upon expiry of the tenure of the contractual agreement with the customer. Such cost has been capitalised under plant and machinery.

(b) Provision for warranties
Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing and past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period.

(c) Provision for liquidated damages
Liquidated damages are provided based on contractual terms when the delivery/commissioning dates of an individual project have exceeded or are likely to exceed the delivery/commissioning dates and/or on the deviation in contractual performance as per the respective contracts. This expenditure is expected to be incurred over the respective contractual terms up to closure of the contract (including warranty period).

(d) Provision for contingencies
Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for.

21. Deferred tax libilities (Net)

a) Movement of deferred tax

in Rupees million	As at 1 Jan 2021	Movement in reserve for Ind AS116	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 Dec 2021
Deferred tax liabilities					
Depreciation & amortisation	3,558.18	-	(113.54)	-	3,444.64
Finance income from finance lease arrangement	6.55	-	(1.22)	-	5.33
	3,564.73	-	**(114.76)**	-	**3,449.97**
Deferred tax assets					
Employee benefits	118.50	-	(0.26)	6.62	124.86
Provisions for doubtful receivables, contingencies, warranties	309.91	-	(7.72)	-	302.19
Interest on Dismantling	14.57	-	5.30	-	19.87
Lease Ind AS 116	11.23	-	(0.08)	-	11.15
Others	2.04	-	-	(0.91)	1.13
	456.25	-	**(2.76)**	**5.71**	**459.20**
Minimum Alternate Tax Credit Entitlement	754.35	-	(754.35)	-	-
	2,354.13	-	**642.35**	**(5.71)**	**2,990.77**

in Rupees million	As at 1 Jan 2020	Movement in reserve for Ind AS116	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 Dec 2020
Deferred tax liabilities					
Depreciation & amortisation	3,531.37	-	26.81	-	3,558.18
Finance income from finance lease arrangement	7.39	-	(0.84)	-	6.55
	3,538.76	-	**25.97**	-	**3,564.73**
Deferred tax assets					
Employee benefits	111.87	-	(2.48)	9.11	118.50
Provisions for doubtful receivables, contingencies, warranties	316.20	-	(6.29)	-	309.91
Interest on Dismantling	7.09	-	7.48	-	14.57
Lease Ind AS 116	-	8.97	2.26		11.23
Others	2.04	-	-	-	2.04
	437.20	**8.97**	**0.97**	**9.11**	**456.25**
Minimum Alternate Tax Credit Entitlement	1,140.19	-	(385.84)		754.35
	1,961.37	**(8.97)**	**410.84**	**(9.11)**	**2,354.13**

b) Income tax expense

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Current Tax		
Current income tax charge	1,330.76	397.71
Deferred Tax		
In respect of current year origination and reversal of temporary differences	642.36	410.84
	1,973.12	**808.55**

c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Profit Before tax	7,112.56	2,363.90
Statutory Income Tax Rate	34.944%	34.944%
Income Tax using the Company's domestic Tax rate	2,485.41	826.04
Tax Effect of :		
- Income Exempt from Tax/Items not deductible	2.69	(17.31)
- Effect of Income Taxable at lower rate	(507.94)	1.85
- Income from House Property	(2.03)	(2.03)
- Others	(5.01)	-
	1,973.12	808.55

22. Other liabilities

in Rupees million	As at 31 Dec 2021		As at 31 Dec 2020	
	Non current*	Current	Non current*	Current
Advances received from customers	435.77	1,630.77	415.72	865.21
Advances received for Sale of Assets	-	53.00	-	553.00
Statutory dues				
Tax deducted and collected at source	-	34.80	-	16.82
GST payable	-	163.36	-	138.22
Others	-	4.30	-	4.65
	435.77	1,886.23	415.72	1,577.90

* This includes advance received from customer for an indirect tax case, mobilisation advance from customers which are adjustable over a period, etc.

23. Trade payables

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Creditors for supplies and services		
Dues to micro and small enterprises	10.12	3.33
Others	5,782.79	4,335.78
Creditors for accrued wages and salaries	84.67	176.64
	5,877.58	4,515.75

The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprise Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the company. The disclosure relating to Micro and Small Enterprises are as follows :

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
(i) (a) The principal amount remaining unpaid to supplier as at the end of the year	10.12	3.33
(b) The interest due thereon remaining unpaid to supplier as at the end of the year	0.24	0.01
(ii) The amount of interest paid by buyer in terms of section 18, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
(a) principle	59.46	14.94
(b) Interest	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act	0.65	0.60
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	1.50	0.61
(v) The amount of further interest remaining due & payable even in the suceeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of dsiallowance as a deductible expenditure under section 23.	0.12	-

24. Revenue from operations

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Sale of products (gases)	**16,513.86**	**11,949.83**
Air separation unit gases	15,640.41	11,332.43
Other cylinder gases	808.44	534.36
Others	65.01	83.04
Revenue from construction contracts	**4,601.52**	**2,756.15**
Vessels, plant and other project engineering contracts	4,601.52	2,756.15
Other operating income	**4.20**	**5.26**
Interest income on finance lease arrangement	4.20	5.26
	21,119.58	**14,711.24**

25. Other income

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Rent	19.40	19.40
Dividend income from joint venture	216.76	145.50
Miscellaneous income	120.38	92.84
Interest income on unwinding of security deposits	1.02	0.23
Interest income on deposits	189.07	68.42
	546.63	**326.39**

26. Cost of materials consumed

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Inventory of materials at the begining of the year	7.98	13.25
Purchases	3,933.64	1,707.37
Less : Inventory of materials at the end of the year	9.98	7.98
	3,931.64	1,712.64

27. Purchase of stock in trade

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Air separation unit gases	1,999.15	1,219.07
Other cylinder gases	911.60	545.11
Others	1.22	21.81
	2,911.97	1,785.99

28.Changes in inventories of finished goods, work-in-progress and stock-in-trade

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Inventories at the beginning of the year		
Finished goods	283.94	248.33
Work-in-progess	18.64	14.27
	302.58	262.60
Less: Inventories at the closing of the year		
Finished goods	258.98	283.94
Work-in-progess	17.16	18.64
	276.14	302.58
	26.44	(39.98)

29. Employee benefit expenses

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Salaries and wages, including bonus	428.22	623.54
Contribution to provident and other funds	60.04	43.50
Workmen and staff welfare expenses	14.22	20.79
	502.48	687.83

During the year, the Company recognised an amount of **Rs. 38.49 million** (31 Dec 2020: Rs. 32.44 million) as remuneration to Key Managerial Personnel. The details of such remuneration is as below:

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Short term employee benefits	37.13	31.22
Post employement benefits	1.36	1.22
	38.49	32.44

30. Finance costs

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Interest expense	-	34.57
On long and short term borrowings from banks	-	34.57
Interest expense on unwinding	22.85	21.40
Of dismantling cost	22.85	21.40
Interest expense on Lease Liability	7.69	6.46
	30.54	62.43

31. Depreciation and amortisation

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Depreciation on tangible assets	1,810.07	1,756.40
Amortisation of intangible assets	3.60	3.60
	1,813.67	1,760.00

32. Other expenses

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Consumption of stores and spares	78.85	74.19
Repairs to buildings	5.49	1.74
Repairs to plant and machinery	260.12	177.68
Repairs to others	17.44	43.51
Freight and handling charges	1,318.26	1,106.03
Rent	15.22	13.14
Loss on foreign exchange (Net)	(0.95)	54.60
Rates and taxes	1.37	2.56
Insurance charges	101.29	96.41
Allowances for doubtful debts	(7.77)	90.35
Contract job expenses	345.14	505.98
Profit on disposal of property, plant and equipment (Net)	10.26	(0.09)
Provision for warranties (Net)	18.68	51.92
Technical support fees	464.29	251.71
Travelling expenses	28.31	39.22
Telephone and communication expenses	15.59	18.81
Support Services cost	1,308.88	512.15
Corporate social responsibility expenditure (refer note 33)	32.58	8.55
Miscellaneous expenses (refer note 34)	239.67	297.69
	4,252.72	3,346.15

33. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 a CSR committee has been formed by the Company. The funds were utilised throughout the year on the activities which are specified in Schedule VII of the Act. The utilisation is done by way of direct contribution towards aforesaid activities.

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
(a) Gross amount required to be spent by the Company during the year	27.00	14.08
(b) The areas of CSR activities and contributions made thereto in cash are as follows:		
Amount spent during the year on:		
1) Construction / Acquisition of any assets		
2) For purpose other than (1) above:		
Promoting and preventive healthcare	6.92	-
Promoting education including special education and employment enhancing vocational fees	3.14	2.83
Environment	0.42	0.21
Livelihood (skill development)	2.50	-
Others	19.60	5.51
	32.58	8.55

34. Miscellaneous expenses under note 32 include auditors' remuneration

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Auditor's remuneration and out-of-pocket expenses		
Audit fee	2.20	2.20
Limited reviews	2.15	1.80
Tax audit fee	1.00	1.00
Other Services	0.22	1.25
Reimbursement of expenses	0.25	0.39
	5.82	6.64

35. Exceptional Items

Exceptional item in current year represents profit of Rs 2,944.26 million on disposal of land and buildings pertaining to its closed factory (Packaged Gases Plant) at 48/1 Diamond Harbour Road, Kolkata. In 2020, a profit of Rs 111.48 million has been recognised due to additional consideration received from divestment of South Region Divestment Business for movement of working capital and reversal of provisions for expenses taken earlier which was no longer required.

36. Earnings per share

The following table reflects profit and shares data used in the computation of basic and diluted earnings per share.

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
a) Profit after tax	5,139.44	1,555.35
Profit attributable to ordinary shareholders - for basic and diluted EPS	5,139.44	1,555.35
	Nos	Nos
b) Weighted average number of Ordinary Shares for basic and diluted EPS	85,284,223	85,284,223
Nominal value of ordinary shares (Rs.)	10.00	10.00
Basic and diluted earnings per ordinary share (Rs.)	60.26	18.24

37. Contingent liabilities

Contingencies:

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable.

Litigations :

The Company is involved in legal proceedings, both as plaintiff and as defendant. There are claims which the Company does not believe to be of material nature other than those described below.

a) Excise Duty and Service Tax

As at 31 December 2021, there were pending litigations for various matters relating to excise duty and service taxes involving demands of Rs. 304.62 million (31 Dec 2020 : Rs. 304.62 million).

b) Sales Tax /VAT

As at 31 December 2021, the total sales tax demands that are being contested by the Company amounted to Rs. 650.82 million (31 Dec 2020: Rs. 654.46 million). The details of demand for more than Rs. 100 million are as follows:

As on 31 December 2021 Sales tax Authority have raised demand of Rs. 508.54 million for the period 2008-09 to 2017-18 (31 Dec 2020: Rs. 492.07 million) on account of non levy of sales tax for facility charges recovered from a customer for providing pipeline infrastructure at their premises. Company has contested the demand and currently the matter is at appellate stage. It is reimbursable by the customer as per agreement.

c) Other claims

Other amounts for which the Company may contingently be liable aggregate to Rs. 6.60 million (31 Dec 2020: Rs. 6.60 million).

It is not practicable for the company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

38. Commitments

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Estimated capital commitments (net of advance) remaining to be executed and not provided for	459.08	162.89

39. Employee Benefits

i) Defined Contribution Plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Super Annuation Fund and Pension Fund, which is a defined contribution plan. The company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The only amounts included in the balance sheet are those relating to the prior months contribution that are not due to be paid until the end of reporting period. The amount recognised as an expense towards contribution to Provident Fund, Super Annuation Fund and Pension Fund for the year aggregated to Rs. 22.08million (31 Dec 2020: Rs. 21.06 million) in note 29.

ii) Defined Benefit Plan

Description of Plans

Retirement Benefit Plans of the Company include Gratuity, Pension and Post retirement medical benefits.

Gratuity & Pension

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. Gratuity is funded through direct investment under Indian Oxygen Limited Executive and Graded-Staff Gratuity Funds. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

Investments of Pension for some employees are managed through Company managed trust.

Post retirement medical benefits

Under this unfunded scheme, employees of the Company receive medical benefits subject to certain limits on amounts of benefits, periods after retirement and types of benefits, depending on their grade and location at the time ofretirement. The Company accounts for the liability for post-retirement medical scheme based on an actuarial valuation.

Governance

The trustees of the trust fund are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. They are tasked with periodic reviews of the solvency of the fund and play a role in the long-term investment, risk management and funding strategy.

Investment Strategy

The Company's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. The plans expose the Company to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and inflation risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/highquality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Inflation risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The Company has developed policy guidelines for the allocation of assets to different classes with the objective of controlling risk and maintaining the right balance between risk and long term returns in order to limit the cost to the Company of the benefits provided.

39. Employee Benefits (contd...)

Pension and Gratuity

A. Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans (funded) at the Balance Sheet date were:

in Rupees million	Pension		Gratuity	
	2021	2020	2021	2020
Present value of obligation	131.46	97.00	101.26	95.16
Fair value of plan assets	(21.57)	(21.24)	(46.69)	(47.15)
Liability recognised in the Balance Sheet (Refer note 20)	109.89	75.76	54.57	48.01

B. Movements in Present Value of Obligation and Fair Value of Plan Assets

in Rupees million	Pension			Gratuity		
	Plan Assets	Plan Obligation	Total	Plan Assets	Plan Obligation	Total
As at 1 January, 2020	19.93	87.36	67.43	43.43	163.38	119.95
Current service cost	-	3.55	3.55	-	12.46	12.46
Past service cost	-	(7.01)	(7.01)	-	(8.59)	(8.59)
Interest cost	-	5.90	5.90		10.53	10.53
Interest income	1.38	-	(1.38)	3.00	-	(3.00)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	(1.55)	(1.55)	-	(0.36)	(0.36)
Actuarial (gain)/loss arising from changes in financial assumptions	0.29	8.32	8.61	(0.01)	7.32	7.31
Actuarial (gain)/loss arising from experience adjustments	-	9.52	9.52	-	(11.13)	(11.13)
Employer contributions	9.31	-	(9.31)	79.16	-	(79.16)
Employee contributions	-	-	-	-	-	-
Assets acquired/ (settled)	-	-	-	-	-	-
Benefit payments	(9.09)	(9.09)	-	(78.45)	(78.45)	-
As at 31st December, 2020	21.24	97.00	75.76	47.15	95.16	48.01
As at 1 January, 2021	21.24	97.00	75.76	47.15	95.16	48.01
Current service cost	-	3.34	3.34	-	6.38	6.38
Past service cost	-	13.27	13.27	-	-	-
Interest cost	-	5.14	5.14	-	4.94	4.94
Interest income	1.17	-	(1.17)	2.59	-	(2.59)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(0.18)	(2.51)	(2.69)	(0.02)	(2.93)	(2.95)
Actuarial (gain)/loss arising from experience adjustments	-	15.88	15.88	-	4.56	4.56
Employer contributions	-	-	-	3.82	-	(3.82)
Employee contributions	-	-	-		-	-
Assets acquired/ (settled)	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-
Benefit payments	(0.66)	(0.66)	-	(6.85)	(6.85)	-
As at 31st December, 2021	21.57	131.46	109.89	46.69	101.26	54.57

39. Employee Benefits (contd...)

C. Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

in Rupees million	Pension		Gratuity	
	2021	2020	2021	2020
Employee Benefit Expenses :				
Current service cost	3.34	3.55	6.38	12.46
Past service cost	13.27	(7.01)	-	(8.59)
Finance costs :				
Interest cost	5.14	5.90	4.94	10.53
Interest income	(1.17)	(1.38)	(2.59)	(3.00)
Net impact on profit (before tax)	20.58	1.06	8.73	11.40
Remeasurement of the net defined benefit plans:				
Actuarial (gain)/loss arising from changes in demographic assumptions	-	(1.55)	-	(0.36)
Actuarial (gain)/loss arising from changes in financial assumptions	(2.68)	8.61	(2.95)	7.31
Actuarial (gain)/loss arising from experience adjustments	15.88	9.52	4.56	(11.13)
Net impact on other comprehensive income (before tax)	13.20	16.58	1.61	(4.18)

The pension expense and gratuity expense have been recognised in Contribution to Provident and Other Funds in Note no 29.

D. Assets

The fair value of plan assets at the Balance Sheet date for the defined benefit plans for each category are as follows:

in Rupees million	Pension		Gratuity	
	2021	2020	2021	2020
Quoted				
Government debt instruments	-	-	-	-
Other debt instruments	-	-	-	-
Total (A)	-	-	-	-
Unquoted				
Cash including special deposits	-	-	-	-
Others (Including assets under Scheme of Insurance)	21.57	21.24	46.69	47.15
Total (B)	**21.57**	**21.24**	**46.69**	**47.15**
Total (A+B)	**21.57**	**21.24**	**46.69**	**47.15**

None of the plans invest directly in any property occupied by the Company or any financial securities issued by the Company.

E. Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Financial Assumptions	Pension		Gratuity	
	2021	2020	2021	2020
Discount rate (per annum)	6.00%	5.50%	6.00%	5.50%
Salary escalation rate (per annum)	8.00%	8.00%	8.00%	8.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Demographic Assumptions

Mortality in Service: Indian Assured Lives Mortality (2006-08) Ultimate table.

39. Employee Benefits (contd...)

F. Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the key assumptions are:

	Pension		Gratuity	
	Change in assumption (%)	Change in Plan Obligation	Change in assumption (%)	Change in Plan Obligation
Discount rate (per annum)				
Increase	0.5	(2.40)	0.5	(2.77)
Decrease	0.5	2.51	0.5	2.93
Salary escalation rate (per annum)				
Increase	0.5	2.45	0.5	2.32
Decrease	0.5	(2.37)	0.5	(2.26)

The sensitivity analysis above have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

G. Weighted average duration and expected employers contribution for each of the defined benefit plan

	Weighted average duration (yrs.)		Expected Employers Contribution for the next year
	2021	2020	
Gratuity	4-7	5-7	13.01
Pension	4	5	34.57

H. Expected Benefit Payments

in Rupees million	Pension	Gratuity
31 December 2022	34.57	13.01
31 December 2023	18.90	14.17
31 December 2024	15.35	11.37
31 December 2025	14.69	12.68
31 December 2026	15.79	14.33
31 December 2027 to 31 December 2031	55.90	60.09

39. Employee Benefits (contd...)

Post Retirement Medical Benefits

The following table sets out the amounts recognised in the financial statements in respect of post retirement medical benefits and other defined benefit plans.

A. Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans (unfunded) at the Balance Sheet date were:

in Rupees million	2021	2020
Present value of obligation	167.53	164.84
Liability recognised in the Balance Sheet (Refer note 20)		
Retirement benefits obligations		
Current	14.09	14.43
Non Current	153.44	150.41

B. Movements in Present Value of Obligation and Fair Value of Plan Assets

in Rupees million	2021	2020
Change in defined benefit obligation:		
Obligation at the beginning of the year	164.84	152.11
Current service cost	-	-
Past Service cost	-	-
Interest cost	8.67	9.99
Remeasurement (gain)/loss	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	19.51	-
Actuarial (gain)/loss arising from changes in financial assumptions	(7.87)	18.31
Actuarial (gain)/loss arising from experience adjustments	(7.90)	(4.55)
Benefits paid	(9.72)	(11.03)
Obligation at the end of the year	167.53	164.84

C. Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:	2021	2020
Employee Benefit Expenses:		
Current service cost	-	-
Past service cost	-	-
Finance costs :		
Interest cost	8.67	9.99
Net impact on profit (before tax)	8.67	9.99
Remeasurement of the net defined benefit plans:		
Actuarial (gain)/loss arising from changes in demographic assumptions	19.51	-
Actuarial (gain)/loss arising from changes in financial assumptions	(7.87)	18.31
Actuarial (gain)/loss arising from experience adjustments	(7.90)	(4.55)
Net impact on other comprehensive income (before tax)	3.74	13.76

The post retirement medical benefit expenses have been recognised in Workmen and staff welfare expenses in Note 29.

39. Employee Benefits (contd...)

D. Assumptions

With the objective of presenting the plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Financial Assumptions	2021	2020
Discount rate (per annum)	6.00%	5.50%
Medical Inflation rate (per annum)	8.00%	8.00%

Demographic Assumptions

Mortality in Service: LIC Annuitants (1996-98) Ultimate

E. Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

	Change in assumption (%)	Change in Plan Obligation (%)
Discount rate (per annum)		
Increase	0.5%	(7.26)
Decrease	0.5%	7.87
Medical Inflation rate (per annum)		
Increase	0.5%	-
Decrease	0.5%	-

The sensitivity analysis above have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

F. Weighted average duration and expected employers contribution

		Weighted average duration (yrs.)	Expected Employers Contribution for the next year
	2021	2020	
Post retirement medical benefit	9	9	NA

G. Expected benefit payments

in Rupees million	
31 December 2022	14.09
31 December 2023	13.98
31 December 2024	13.84
31 December 2025	13.69
31 December 2026	13.51
31 December 2027 to 31 December 2031	64.15

40. Information in accordance with the requirements of the Ind AS 115 on Revenue from Contract with Customers

(i) Movement in Contract balances

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Gross amount due from customers for contracts in progress	3,092.98	2,345.08
Gross amount due to customers for contracts in progress	1,835.44	1,085.25
Net Contract Balance	1,257.54	1,259.83

(ii) Revenue recognised during the year from opening balance of contract liabilities amounts to **Rs 386.67 million** (31 Dec 2020: Rs 527.30 million).

(iii) Revenue recognised during the year from the performance obligation satisfied in previous year (arising out of contract modifications) amounts to **Rs 91.32 million** (31 Dec 2020: Rs 109.92 million).

(iv) Reconciliation of contracted price with revenue during the year

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Opening contracted price of orders as at 1 January	10,547.38	6,497.14
Increase due to additional consideration recognised as per contractual terms	369.45	126.10
Fresh orders/change orders received (net)	4,876.08	6,680.29
Total Revenue recognised during the year	4,601.52	2,756.15
Closing contracted price of orders as at 31 December	11,191.39	10,547.38

41. Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and long term and short term bank borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents.

The Company does not have any debt as at the reporting date and hence debt to equity ratio is Nil.

42. Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 (t).

a) Category-wise classification of Financial instruments

The carrying value and fair values of financial instruments by class are as follows:

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
FINANCIAL ASSETS		
Financial assets measured at fair value through other comprehensive income		
Investments in equity instruments	20.66	20.39
Financial assets measured at amortised cost		
Cash and bank balances	9,879.73	3,258.58
Trade receivables	3,958.57	4,072.12
Other financial assets	461.42	510.61
	14,320.38	7,861.70
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost		
Lease liabilities	242.93	69.03
Trade payables	5,877.58	4,515.75
Other financial liabilities	570.85	609.82
	6,691.36	5,194.60

b) Fair value measurements

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

a) Level 1: Quoted prices for identical instruments in an active market -

This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

b) Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs -

This level of hierarchy includes financial assets and liabilities, measured using inputs other than the quoted prices included within level 1 that are observables for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company's derivative contracts.

c) Level 3: Inputs which are not based on observable market data -

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor they are based on available market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

As at 31st December 2021

in Rupees million	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Investment in equity shares	20.66	-	-	20.66

As at 31st December 2020

in Rupees million	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value				
Investment in equity shares	20.39	-	-	20.39

i) The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.

ii) The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.

iii) The Company assessed that cash and bank balances, trade receivables, trade payables, short term borrowings and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

iv) Fair value of borrowings which have a quoted market price in an active market is based on its market price which is categorised as level 1. Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorised as level 2 in the fair value hierarchy.

v) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

vi) There have been no transfers between Level 1, level 2 and Level 3 for the years ended 31 December 2021 and 31 December 2020.

c) Derivative financial instruments

Derivative instruments used by the Company include forward exchange contracts and currency swaps. These financial instruments are utilised to hedge future transactions and cash flows and are subject to hedge accounting under Ind AS 109 " Financial Instruments" to the extent possible. The Company does not hold or issue derivative financial instruments for trading purpose. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

The fair value of derivatives held by the Company as at the end of each reporting period is NIL.

43. Financial Risk Management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(i) Market risk:

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

a) Market risk - Foreign currency exchange rate risk:

The Company enter into sale and purchase transactions and borrowings denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Company manages the risk from currency exposures for all major items through hedging mechansism primarily by use of forward exchange contracts.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period, not hedged by derivative instruments, are as follows:

in Rupees million	Monetary assets		Monetary liabilities	
	As at 31 Dec 2021	As at 31 Dec 2020	As at 31 Dec 2021	As at 31 Dec 2020
US Dollar in India	56.83	76.56	58.40	158.18
Euro in India	0.92	26.47	244.49	364.24
GBP in India	-	-	18.30	23.83
AUD in India	-	-	0.00	1.15
SGD in India	0.50	-	137.16	26.20
JPY in India	-	-	2.91	3.18
BDT in India	-	-	1.32	0.18
THB in India	-	-	0.00	0.00

A 10% appreciation/depreciation of the foreign currencies with respect to functional currency of the Company would result in an decrease/ increase in the Company's net profit before tax by approximately **Rs.40.43 million** for the year ended 31 December 2021 (31 Dec 2020 : Rs.47.39 million).

b) Market risk - Interest rate risk:
Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Interest rate risk for the company is primarily mitigated by hedging through interest rate swaps which ensures fixed interest rate for the borrowed amount.

Interest rate sensitivity analysis
The company manages its interest rate risk by entering into interest rate swap contracts to swap floating interest rates for fixed interest rates over the duration of its borrowings for all its foreign currency long term loans. As at 31 December 2021, no foreign currency loans was outstanding during the year whereas as at 31 December 2020, all foreign currency loans has been repaid during the year.

The sensitivity analysis given below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.
Profit for the year ended 31 December 2021 would increase/decrease by **Nil** (31 Dec 2020 Rs. Nil).

Interest rate SWAP contracts
The company enters interest rate swaps to hedge interest rate risks. Under the interest rate swap contracts, the company exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the company to mitigate the risk of changing interest rates on the fair value of fixed rate debt.

There were no open interest rate swap contracts at the end of the reporting periods.

ii) Counter-party credit risk:
Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Financial instruments that are subject to concentrations of credit risk, principally consist of trade receivables, finance receivables, loans and advances and derivative financial instruments. Company regularly reviews the credit limits of the customers and takes action to reduce the risk. Further diverse and large customer bases also reduces the risk. All trade receivables are reviewed and assessed for default on quarterly basis.

The credit risk on bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings.

iii) Liquidity risk:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks and inter-company borrowing. The Company invests its surplus funds in bank fixed deposits, which carry no or low market risk. The Company's liquidity position remains strong at Rs. 9,879.73 million as at 31 December 2021 (31 December 2020 : Rs. 3,258.58 million), comprising of cash and cash equivalents and other balances with banks (including earmarked balances).

The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

in Rupees million	Carrying Amount	Undiscounted amount payable			Total
		within 1 year	Between 1 to 5 years	More than 5 years	
As at 31st December 2021					
Non-derivative liabilities					
Lease liabilities	242.93	33.13	130.65	261.39	425.17
Trade payables	5,877.58	5,877.58	-	-	5,877.58
Security deposits	118.83	118.83	-	-	118.83
Unpaid dividend	5.57	5.57	-	-	5.57
Other Payables	203.53	203.53	-	-	203.53
As at 31st December 2020					
Non-derivative liabilities					
Lease liabilities	69.03	16.52	62.34	9.58	88.44
Trade payables	4,515.75	4,515.75	-	-	4,515.75
Security deposits	106.91	106.91	-	-	106.91
Unpaid dividend	5.55	5.55	-	-	5.55
Other Payables	428.34	428.34	-	-	428.34

44. Segment information

a) **Products and services from which reportable segments derive their revenues:**

Information reported to the Chief Operating Decision Maker (CODM) for the puspose of resource allocation and assessment of segment performance is based on product and services. Accordingly, management of the company has chosen to organise the segment based on its products and services as follows:

- Gases and Related Products
- Project Engineering

The company's chief operating decision maker is the Managing Director.
Segment revenue, results, assets and liabilities include the respective amounts that are directly attributable to or can be allocated on a reasonable basis to each of the segments. Revenue, expenses, assets and liabilities which relate to the enterprise as a whole and are neither attributable to nor can be allocated on a reasonable basis to each of the segments, have been disclosed as unallocable.
The company's financing and income taxes are managed on a company level and are not allocated to operating segments.
Inter-segment revenue has been recognised at cost.

b) Information about business segment

in Rupees million		As at 31 Dec 2021			As at 31 Dec 2020		
		Gases and Related Products	Project Engineering	Total	Gases and Related Products	Project Engineering	Total
1	**Segment revenue**						
	External revenue	16,606.49	4,508.89	21,115.38	11,995.53	2,710.45	14,705.98
	- India	16,444.40	4,480.58		11,895.55	2,312.41	
	- Outside India	162.09	28.31		99.98	398.04	
	Interest income	4.20	-	4.20	5.26	-	5.26
	Total external revenue (A)	16,610.69	4,508.89	21,119.58	12,000.79	2,710.45	14,711.24
	Inter segment revenue (B)	-	69.85	69.85	-	144.50	144.50
	Total segment revenue (A) + (B)	**16,610.69**	**4,578.74**	**21,189.43**	**12,000.79**	**2,854.95**	**14,855.74**
	Less: Inter segment elimination			(69.85)			(144.50)
	Total revenue			**21,119.58**			**14,711.24**
2	**Segment results**	**3,871.15**	**484.60**	**4,355.75**	**2,152.91**	**387.31**	**2,540.22**
	Finance cost - unallocable			(30.54)			(62.43)
	Other unallocable expenses			(156.91)			(225.37)
	Profit before tax and exceptional item			4,168.30			2,252.42
	Exceptional item			2,944.26			111.48
	Profit before tax			**7,112.56**			**2,363.90**
	Less: Tax expense			1,973.12			808.55
	Profit after tax			**5,139.44**			**1,555.35**
3	Segment assets	24,592.61	4,173.25	28,765.86	25,466.53	2,716.94	28,183.47
	Unallocated assets			11,261.13			4,404.72
	Total assets			**40,026.99**			**32,588.19**
4	Segment liabilities	6,256.94	3,143.55	9,400.49	5,666.77	1,691.66	7,358.43
	Unallocable liabilities			3,716.28			3,192.56
	Total liabilities			**13,116.77**			**10,550.99**

c) Other segment information

in Rupees million	Year ended 31 Dec 2021			Year ended 31 Dec 2020		
	Gases and Related Products	Project Engineering	Unallocable	Gases and Related Products	Project Engineering	Unallocable
Depreciation and amortisation	1,780.62	8.04	25.01	1,713.89	6.49	39.62
Addition to fixed assets (net of disposal)	412.73	9.20	1.19	1,026.91	5.34	18.91

d) Revenue from major products

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
(i) Gases and Related Products		
Air separation unit gases	15,640.41	11,332.43
Other cylinder gases	808.44	534.36
Others	157.64	128.74
(ii) Project Engineering		
Construction contracts	4,508.89	2,710.45
	21,115.38	14,705.98

The Company operates predominantly within the geographical limits of India. In the company's operations within India, there is no significant difference in the economic condition prevailing in the various states of India. Revenue from sales to customers outside India is less than 10% in the current and previous year. Hence, disclosures on geographical segments are not applicable.

e) Information about major customers

Included in the revenue arising from direct sales of products and services of **Rs. 21,115.38 million** (31 Dec 2020: Rs. 14,705.98 million) are revenues of approximately Rs. **5,468.21 million** (31 Dec 2020: Rs. 3,450.97 million) which arose from the sale to company's top two customers. No other single customer contributed 10% or more of the company's revenue for both 2021 and 2020.

Notes:

i) Segment performance is reviewed by the CODM on the basis of profit or loss from continuing operations before other income and finance cost and tax expenses. Segment results reviewed by CODM also excludes income or expenses which are non recuring in nature or classified as exceptional.

ii) The accounting policies of the reportable segments are same as of the companies accouting policies (Refer Note 2)

45. Information on Related Party Disclosure

A) List of Related Parties

i) Ultimate Holding Company
Linde Public Limited Company, Ireland

ii) Intermediate Holding Company
Linde GmbH (Formerly Linde AG, Germany)

iii) Holding Company (entity having control over the Company)
The BOC Group Limited, United Kingdom (Wholly owned Subsidiary of Linde GmbH)

iv) Fellow Subsidiaries and Joint Venture with whom transactions have taken place during the year

(a) Located outside India

Fellow Subsidiary	Country
Linde Bangladesh Limited	Bangladesh
Linde Engineering (Dalian) Co. Ltd.	China
Linde Kryotechnik AG	Switzerland
Cryostar SAS	France
PT. Linde Indonesia	Indonesia
Praxair Korea Company Limited	Korea
Linde Malaysia Sdn. Bhd.	Malaysia
Linde Business Solution Center Philippines INC	Philippines
Linde Philippines Inc	Philippines
Linde Gas Singapore Pte Limited	Singapore
Linde Gas Asia Pte Limited	Singapore
Ceylon Oxygen Limited	Srilanka
BOC Limited - ENG (Gases)	United Kingdom
Linde Cryoplants Limited	United Kingdom
Linde (Thailand) Public Company Limited	Thailand
Linde Gas Vietnam Limited	Vietnam
Linde Gas North America LLC E&S Gas	United States of America
Praxair Asia INC	China
Praxair, Inc (formerly Linde Global Helium)	United States of America
PU Linde LLC	United States of America
Linde EOX SDN. BHD.	Malaysia
Linde Gas & Equipment Inc. (formerly Praxair Distribution, Inc.)	Bethlehem

(b) Located in India

Fellow Subsidiary
Linde Global Support Services Private Limited
Linde Engineering India Private Limited
Praxair India Private Limited
Joint Venture
Bellary Oxygen Company Private Limited
Linde South Asia Services Private Limited (Formerly LSAS Services Private Limited)

v) Employee Funds

Linde India Limited Executive Staff Pension Fund
Linde India Limited Executive Staff Gratuity Fund
Linde India Limited Graded Staff Pension Fund
Linde India Limited Non Executive Staff Gratuity Fund

vi) Key Management Personnel of the Company

Mr. A Banerjee, Managing Director
Mr. A Saraf, Chief Financial Officer
Mr. P Marda, Director - Corporate Affairs & Company Secretary

B) Transactions with Related Parties during the year

Nature of Transaction	Ultimate Holding Company	Intermediate Holding Company	Holding Company	Fellow Subsidiaries	Joint Venture	Employee Funds	Key Management Personnel
Purchase of Goods - Gases,	-	97.08	-	1,902.00	81.14	-	-
Equipment/Spares	-	(15.53)	-	(1,133.71)	(76.79)	-	-
Purchase of Fixed Assets /	-	13.99	-	46.06	-	-	-
Capital Spares	-	(13.95)	-	(9.13)	-	-	-
Support Services - Engineering	-	153.33	464.29	170.23	1,086.78	-	-
Assistance, IS Charges, Business Support & Technical Assistance	-	(163.94)	(251.71)	(80.10)	(352.71)	-	-
Service Charges Received -	-	-	-	9.14	-	-	-
Facility Fees Income	-	-	-	(8.31)	-	-	-
Sale of Goods/Spares/Services &	-	159.05	-	3,290.92	14.18	-	-
Revenue from Construction Contract	-	(4.55)	-	(1,190.80)	(19.49)	-	-
Sale of Fixed Assets	-	-	-	50.98	-	-	-
	-	-	-	(-)	-	-	-
Recovery of Personnel Cost	-	-	-	31.16	8.82	-	-
	(5.64)	-	-	(39.70)	(8.18)	-	-
Rental Income	-	-	-	18.96	-	-	-
	-	-	-	(18.96)	-	-	-
Managerial Remuneration	-	-	-	-	-	-	38.49
	-	-	-	-	-	-	(32.44)
Purchase of Shares	-	-	-	-	-	-	
	-	-	-	-	(20.00)	-	
Dividend Paid	-	-	191.89	-	-	-	-
	-	-	(639.63)	-	-	-	-
Dividend Received	-	-	-	-	216.75	-	-
	-	-	-	-	(145.50)	-	-
Contribution to Funds	-	-	-	-	-	3.82	
	-	-	-	-	-	(86.34)	-
Outstanding balances:							
- Receivables	-	0.56	3.95	879.85	-	-	-
	(5.64)	(4.80)	(20.78)	(521.72)	(15.74)	-	-
- Payables	-	206.11	370.45	910.70	208.86	-	-
	-	(261.22)	(205.34)	(668.54)	(114.39)	-	-
- Advance to Vendors & KMP/	-	61.55	-	140.18	20.00	-	-
Capital Advances / Investments	-	(3.03)	(10.86)	(20.42)	(20.00)	-	(0.18)
- Advance from Customer	-	106.72	-	14.64	-	-	-
	-	(-)	-	(-)	-	-	-

Note: The figures in brackets pertains to previous year.

C) Disclosure of material transactions between Company and Related Parties during the year included in Fellow Subsidiary:
Nature of Transaction

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Purchase of Goods - Gases, Equipment/Spares		
Praxair India Private Limited	939.02	548.29
Praxair, Inc (formerly Linde Global Helium)	723.72	476.65
Purchase of Fixed Assets / Capital Spares		
Praxair India Private Limited	29.23	-
Praxair, Inc (formerly Linde Global Helium)	4.89	-
Linde Engineering India Private Limited	8.29	5.77
Support Services - Engineering Assistance, IS Charges, Business Support & Technical Assistance		
Linde Gas Asia Pte Limited	139.58	-
Linde Business Solutions Center Philippines INC	17.75	24.26
Service Charges Received -Facility Fees Income		
Linde Global Support Services Pvt. Ltd.	9.14	8.31
Sale of Goods/Spares/Services & Revenue from Construction Contract		
Praxair India Private Limited	3,083.65	1,073.32
Sale of Fixed Assets		
Praxair India Private Limited	50.98	-
Recovery of Personnel Cost		
Linde Global Support Services Pvt. Ltd.	3.18	2.76
Linde Gas Asia Pte Limited	7.60	11.31
PT. Linde Indonesia	3.62	0.57
Linde Philippines, INC.	4.80	6.74
Linde Malaysia Sdn. Bhd.	3.27	3.84
Linde (Thailand) Public Company Limited	3.97	3.09
Praxair India Private Limited	3.41	3.02
Rental Income		
Linde Global Support Services Pvt. Ltd.	18.96	18.96

46. Leases

I. As a Lessor (IND AS 116)

The following is the summary of future minimum lease rental payments under non-cancellable operating leases and finance leases entered into by the Company.

A. Operating leases as a lessor:

Significant leasing arrangements include lease of plant and machinery dedicated for use under long term arrangements for periods ranging between 12 to 20 years with renewal option. Receivable under long term arrangements involving use of dedicated assets are allocated between those relating to the right to use of assets on contractual terms and conditions. Any change in the allocation assumptions may have an impact on the lease assessment and/or lease classification.

Future minimum lease payments under non-cancellable operating leases are as below:

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Future minimum lease payments		
not later than one year	876.87	881.87
later than one year and not later than five years	3,454.98	3,475.98
later than five years	6,086.76	6,942.63
	10,418.61	**11,300.48**

B. Finance leases as a lessor:

Certain plant and machinery has been made available by the Company to the customers under a finance lease arrangement. The arrangements covers a substantial part of the economic life of the underlying asset and contain a renewal option on expiry. Receivables under long term arrangements involving use of dedicated assets are based on the underlying contractual terms and conditions. Any change in the assumptions may have an impact on lease assessment and/or lease classification.

Such assets given under the lease arrangement have been recognised, at the inception of the lease as a receivable at an amount equal to the net investment in the lease. The finance income arising from the lease is being allocated based on a pattern reflecting constant periodic return on the net investment in the lease. The income arising on account of finance lease arrangement is Rs 4.19 million.

The minimum lease receivable and the present value of minimum lease receivables in respect of arrangements classified as finance leases are as below:

in Rupees million	As at 31st Dec 2021		As at 31st Dec 2020	
	Minimum Lease payments	Present value of minimum lease payments	Minimum Lease payments	Present value of minimum lease payments
Not later than one year	7.68	1.50	7.68	1.50
Later than one year and not later than five years	13.44	2.67	21.12	2.67
Later than five years	-	-	-	-
Total future minimum lease committements	**21.12**	**4.17**	**28.80**	**4.17**
Less: Unearned finance income	5.82		10.01	
Present value of minimum lease payments receivable	**15.30**		**18.79**	
Disclosed as:				
Other financial asset - finance lease receivable (refer note 9)				
Non-Current	10.86		15.30	
Current	4.44		3.49	
	15.30		**18.79**	

II. As a Lessee (IND AS 116)

1 Changes in the carrying value of right of use assets for the year ended 31 December, 2021

in Rupees million	Land	Buildings	Plant and Equipment	
Balance as at 01-01-2021	166.36	32.15	5.29	203.80
Additions during the year	-	-	184.22	184.22
Deletion during the year	-	-	-	-
Depreciation	4.72	6.99	3.11	14.82
Balance as at 31-12-2021	**161.64**	**25.16**	**186.40**	**373.20**

2 The following is the break-up of current and non-current lease liabilities

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Current Lease Liability	12.56	10.08
Non Current Lease Liability	230.37	58.95
Total Lease Liability	**242.93**	**69.03**

3 The following is the movement in lease liabilities

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Opening Balance	69.03	115.46
Additions during the year	184.22	-
Finance cost during the period	7.69	6.46
Deletions	-	31.72
Payment of lease liabilities	18.01	21.17
Closing Balance	**242.93**	**69.03**

4 Contractual maturities of lease liabilities on an undiscounted basis:

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Less than one year	33.13	16.52
One to five years	130.65	62.34
More than five years	261.39	9.58

5 Nature of lessee's leasing activities

Right-of-Use assets majorly comprises Land, Buildings and Plant and Equipment.

6 There are no such identified probable future cash outflows to which the entity is exposed that are not reflected in the measurement of lease liabilities.

47. Interest in Joint Venture

a) Details of the Company's material joint venture at the end of the reporting period are as follows:

Name of the Joint Venture	Principal Activity	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the Group		Quoted (Y/N)
			As at 31 Dec 2021	As at 31 Dec 2020	
Bellary Oxygen Company Private Limited (Belloxy)	Production and sale of air gases	Karnataka, Bellary	50%	50%	N
Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Private Limited)	Management services	Karnataka, Banagalore	50%	50%	N

b) Summary of financial information

in Rupees million	Belloxy Oxygen India Private Limited		Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Private Limited)	
	As at 31 Dec 2021	As at 31 Dec 2020	As at 31 Dec 2021	As at 31 Dec 2020
Current Assets	466.20	355.67	536.93	171.06
Non Current Assets	-	704.74	218.50	12.88
Current Liabilities	33.03	128.68	433.37	104.53
Non Current Liabilities	-	119.08	136.53	6.23
Equity	433.17	812.66	185.53	73.18

Revenue	443.45	501.17	2,039.13	683.49
Expenses	394.18	399.28	1,888.99	637.93
Profit before tax for the year	**49.27**	**101.89**	**150.14**	**45.56**
Tax Expense	8.75	26.89	37.78	11.48
Profit after tax for the year	**40.52**	**75.00**	**112.36**	**34.08**
Profit attributable to the owners of the Company	20.26	37.50	56.18	17.04
Profit attributable to the non controlling interest	20.26	37.50	56.18	17.04
Profit for the year	**40.52**	**75.00**	**112.36**	**34.08**
Other Comprehensive Income attributable to the owners of the Company	-	-	-	(0.92)
Other Comprehensive Income Profit / (Loss) attributable to the non controlling interest	-	-	-	-
Other Comprehensive Income	-	-	-	(0.92)
Total Other Comprehensive Income attributable to the owners of the Company	-	-	-	(0.46)
Total Other Comprehensive Income Profit / (Loss) attributable to the non controlling interest	-	-	-	(0.46)
Total Other Comprehensive Income	**40.52**	**75.00**	**112.36**	**33.16**
Dividends paid to non controlling interest	-	-	-	-
Net Cash Flow from operating activities	258.71	271.61	146.15	(37.76)
Net Cash Flow from investing activities	472.60	11.30	(25.35)	-
Net Cash Flow from financing activities	(420.00)	(335.92)	-	40.00
Net Cash inflow/(outflow)	**311.31**	**(53.01)**	**120.80**	**2.24**

c) Company's transaction with Bellary Oxygen Company Private Limited and Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Private Limited), being a related party during the year are disclosed under note 45

d) The above investment in Bellary Oxygen Company Private Limited is part of assets classified as held for sale in 2018. Refer Note 16

e) The Belloxy financial statements have not been prepared on a going concern basis as on 31st December 2021.

48. Business acquisition

During the year, the Company has acquired from HPS Gases Ltd., Vadodara its entire packaged gases business along with certain distribution assets with effect from 1 November 2021 for an aggregate cash consideration of Rs.275 million. As part of this acquisition, Linde India will also supply liquid products to HPS Gases Ltd. and purchase gases in packaged and mini bulk from HPS Gases Ltd. The aforesaid acquisition will help expand Linde's presence in Packaged Gas and Micro Bulk market in Western India.

49. Dividends

The dividends declared by the Company are based on the profits available for distribution as reported in the financial statements of the Company. On 24 February 2022, the Board of Directors of the Company have proposed a dividend of Rs. 13.50 per share including a special dividend of Rs. 10.00 per share in respect of the year ended 31 December 2021, subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of Rs. 1,151.34 million.

50. The financial statements were approved for issue by the Board of Directors on 24 February 2022.

For and on behalf of Board of Directors of

Linde India Limited
CIN: L40200WB1935PLC008184

R HUGHES, Chairman DIN : 08493540
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

A SARAF, Chief Financial Officer ACA: 060828
P MARDA, Director - Corporate Affairs & Company Secretary, ACS: 8625

Kolkata, 24 February, 2022

Independent Auditor's Report.

To The Members of Linde India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Linde India Limited ("the Company"), which comprise the Balance Sheet as at 31 December 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the [Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2021, and its profit total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Revenue Recognition - Appropriateness of estimation of contract cost & revenue recognition in PED Business Revenue from the contracts entered by the Project Engineering Division (PED) is recognized over a period of time in accordance with the requirements of Ind AS 115- Revenue from Contracts with Customers. Due to the nature of the contracts, revenue recognition involves usage of percentage of completion method which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs, which involves significant judgments, identification of contractual obligations and the Company's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price. Accuracy of revenues and profit/loss may deviate significantly on account of change in judgements and estimates. For this reason, we have identified estimates involved in the revenue recognition and budgeted costs for Project Engineering Division as Key Audit Matter Refer to the Accounting Policy para 2(e), Notes 24 and 40 to the Standalone Financial Statements.	Principal audit procedures: Our audit approach was a combination of test of internal controls and substantive procedures including: • Obtained an understanding of the management's evaluation process to recognize revenue over a period of time, the status of completion for projects and total cost estimates; • Identified and tested the controls related to revenue recognition, focusing on the determination of percentage of completion, recording of costs incurred and estimation of costs to complete the remaining contract obligations through inspection of evidence of performance of these controls; • Tested selected contracts on sample basis for appropriateness of revenue recognition including budgeted cost as well as the percentage of completion for construction works as it requires management's estimates on the basis of progress of the projects; • Evaluated management's estimates of the impact to revenue and budgeted costs arising from scope changes made to the original contracts, claims, disputes and liquidation damages with reference to supporting documents including variation orders and correspondence between the Company and the customers; • Tested on sample basis the actual costs incurred on construction works during the reporting period; • Recomputed the percentage of completion based on the latest budgeted final costs and the total actual costs incurred and the revenue recognised based on the percentage of completion; • Evaluated the adequacy of the related disclosures in the standalone Ind AS financial statements as required by the relevant accounting standard.

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 Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income , cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:

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

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

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

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

    e. On the basis of the written representations received from the directors as on 31 December, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 December, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

    f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

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

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

        ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company .

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

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)
Abhijit Bandyopadhyay, *Partner*
(Membership No. 054785)
(UDIN: 22054785ADMSJT9577)

Place: Kolkata
Date:24 February 2022

Annexure "A" to the Independent Auditor's Report.

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

Report on the Internal Financial Controls 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 Linde India Limited ("the Company") as of December 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date .

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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, 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 and such internal financial controls over financial reporting were operating effectively as at December 31, 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)
Abhijit Bandyopadhyay, *Partner*
(Membership No. 054785)
(UDIN: 22054785ADMSJT9577)

Place: Kolkata
Date:24 February 2022

Annexure "B" to the Independent Auditor's Report.

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Asset.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(ii) As explained to us, inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and had no unclaimed deposits at the beginning of the year as per the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.

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

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, cess and other material statutory dues in arrears as at 31 December, 2021 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on 31 December, 2021 on account of disputes are given below.

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period for which the Amount Relates	Amount Net of Payment (Rs. in million)	Amount Paid under protest (Rs. in million)
Central State Sales Tax Act and VAT Acts	Sales tax /VAT	Adjudicating Authority	2000-2016	59.02	11.93
		JC Appeal	2000-2018	300.14	93.30
		Tribunal	1995-2017	303.20	170.87
		Revisional Board	1998-2012	32.71	12.30
		DC Appeal	2015-2018	83.23	22.69
		High Court	2005-2006	55.06	25.64
Central Excise Act, 1944	Excise Duty	Adjudicating Authority	1996-2017	70.35	1.96
		First Appellate Authority	2014-2015	10.58	0.61
		Tribunal	1991-2017	326.61	18.79
		High Court	1998-2009	4.96	2.50

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period for which the Amount Relates	Amount Net of Payment (Rs. in million)	Amount Paid under protest (Rs. in million)
Finance Act, 1944	Service Tax	Adjudicating Authority	2004-2017	5.16	0.22
		First Appellate Authority	2005-2010	0.13	-
		Tribunal	2007-2015	828.71	19.13

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors, or directors of its holding, joint venture company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)
Abhijit Bandyopadhyay, *Partner*
(Membership No. 054785)
(UDIN: 22054785ADMSJT9577)

Place: Kolkata
Date:24 February 2022

Consolidated Financial Statements.

Consolidated Balance Sheet.

as at 31 December 2021

in Rupees million	Note	As at 31 Dec 2021	As at 31 Dec 2020
ASSETS			
Non-current assets			
Property, plant and equipment	5	18,103.94	19,684.77
Right-of-Use Assets	6	373.20	203.80
Capital work-in-progress	5	680.40	170.58
Goodwill	7A	89.34	-
Other Intangible assets	7B	119.06	3.33
Financial assets			
Investments in joint ventures	8	92.52	36.35
Investments in others	8	0.66	0.39
Other financial assets	9	49.09	33.43
Non current tax assets (Net)	10	146.20	96.79
Other non current assets	11	1,828.79	1,770.06
Total non- current assets (A)		**21,483.20**	**21,999.50**
Current assets			
Inventories	12	691.04	685.91
Financial assets			
Trade receivables	13	3,958.57	4,072.12
Cash and cash equivalents	14	9,832.93	3,241.44
Other balances with bank	15	46.80	17.14
Other financial assets	9	412.33	477.18
Other current assets	11	3,506.52	1,914.96
Total current assets (B)		**18,448.19**	**10,408.75**
Assets classified as held for sale (C)	16	234.71	452.61
TOTAL ASSETS (A+B+C)		40,166.10	32,860.86
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	852.84	852.84
Other equity	18	26,296.01	21,490.25
Total equity (D)		**27,148.85**	**22,343.09**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities		230.37	58.95
Provisions	20	706.63	620.08
Deferred tax liabilities (Net)	21	2,891.25	2,320.91
Other non-current liabilities	22	435.77	415.72
Total non- current liabilities		**4,264.02**	**3,415.66**
Current liabilities			
Financial liabilities			
Lease liabilities		12.56	10.08
Trade payables			
(A) total outstanding dues of micro and small enterprises	23	10.12	3.33
(B) total outstanding dues of creditors other than micro and small enterprises	23	5,867.46	4,512.42
Other financial liabilities	19	570.85	609.82
Provisions	20	406.01	388.56
Other current liabilities	22	1,886.23	1,577.90
Total current liabilities		**8,753.23**	**7,102.11**
Total liabilities (E)		**13,017.25**	**10,517.77**
TOTAL EQUITY AND LIABILITIES (D+E)		40,166.10	32,860.86

The accompanying notes 1 to 50 are an integral part of the financial statements.

In terms of our report attached

for Deloitte Haskins and Sells LLP
Chartered Accountants, (FRN: 117366W/W-100018)

ABHIJIT BANDYOPADHYAY, Partner

Kolkata, 24 February, 2022

For and on behalf of Board of Directors of

Linde India Limited
CIN: L40200WB1935PLC008184

R HUGHES, Chairman DIN : 08493540
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

A SARAF, Chief Financial Officer ACA: 060828
P MARDA, Director - Corporate Affairs & Company Secretary, ACS: 8625

Statement of Consolidated Profit and Loss.

for the year ended 31 December 2021

in Rupees million	Note	Year ended 31 Dec 2021	Year ended 31 Dec 2020
INCOME			
Revenue from operations	24	21,119.58	14,711.24
Other income	25	546.63	326.39
TOTAL INCOME (A)		21,666.21	15,037.63
EXPENSES			
Power and fuel		4,028.45	3,470.15
Cost of materials consumed	26	3,931.64	1,712.64
Purchase of stock-in-trade	27	2,911.97	1,785.99
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	26.44	(39.98)
Employee benefits expenses	29	502.48	687.83
Finance costs	30	30.54	62.43
Depreciation and amortisation expense	31	1,813.67	1,760.00
Other expenses	32	4,252.72	3,346.15
TOTAL EXPENSE (B)		17,497.91	12,785.21
Share of profit from Joint venture (C)		56.18	17.04
Profit before exceptional items and tax D = (A-B+C)		4,224.48	2,269.46
Exceptional Items (E)	34	2,754.52	17.11
Profit before tax F = (D+E)		6,979.00	2,286.57
Tax Expense			
Current tax	21	1,330.76	397.71
Deferred tax	21	576.06	377.87
TOTAL TAX EXPENSE (G)		1,906.82	775.58
PROFIT FOR THE YEAR H = (F-G)		5,072.18	1,510.99
Other comprehensive income			
Items that will not be reclassified to profit or loss		(16.28)	(26.06)
Remeasurement losses on defined benefit plans		(18.93)	(26.16)
Fair value changes of investments in equity shares		2.65	0.10
Income tax relating to items that will not be reclassified to profit or loss		5.71	9.11
Items that will be reclassified to profit or loss		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
Share of Other comprehensive income of Joint Venture		-	(0.70)
Income tax relating to items that will not be reclassified to profit or loss		-	0.24
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR (I)		(10.57)	(17.41)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR J = (H+I)		5,061.61	1,493.58
Earnings per equity share :	35		
Basic and Diluted (Rs.)		59.47	17.72

The accompanying notes 1 to 50 are an integral part of the financial statements.

In terms of our report attached

for Deloitte Haskins and Sells LLP
Chartered Accountants, (FRN: 117366W/W-100018)

ABHIJIT BANDYOPADHYAY, Partner

Kolkata, 24 February, 2022

For and on behalf of Board of Directors of

Linde India Limited
CIN: L40200WB1935PLC008184

R HUGHES, Chairman DIN : 08493540
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

A SARAF, Chief Financial Officer ACA: 060828
P MARDA, Director - Corporate Affairs & Company Secretary, ACS: 8625

Statement of Consolidated Changes in Equity.
for the year ended 31 December 2021

A. Equity share capital

Balance as at 1 January 2020	852.84
Changes in equity share capital during the year	-
Balance as at 31 Dec 2020	852.84
Changes in equity share capital during the year	-
Balance as at 31 Dec 2021	852.84

B. Other equity

in Rupees million	Reserve and Surplus			Equity instrument through other comprehensive Income	Total
	Securities Premium Reserve	General Reserves	Retained Earnings		
Balance as at 1 January 2020	6,972.52	995.67	12,897.87	0.19	20,866.25
Profit for the year	-	-	1,510.99	-	1,510.99
Movement in reserve for Ind AS 116	-	-	(16.70)	-	(16.70)
Payment of Dividends	-	-	(852.88)	-	(852.88)
Other Comprehensive Income (net of taxes)	-	-	(17.51)	0.10	(17.41)
Balance as at 31 December 2020	6,972.52	995.67	13,521.77	0.29	21,490.25
Profit for the year	-	-	5,072.18	-	5,072.18
Payment of Dividends	-	-	(255.85)	-	(255.85)
Other Comprehensive Income (net of taxes)	-	-	(13.22)	2.65	(10.57)
Balance as at 31 December 2021	6,972.52	995.67	18,324.88	2.94	26,296.01

The accompanying notes 1 to 50 are an integral part of the financial statements.

In terms of our report attached

for Deloitte Haskins and Sells LLP
Chartered Accountants, (FRN: 117366W/W-100018)

ABHIJIT BANDYOPADHYAY, Partner

Kolkata, 24 February, 2022

For and on behalf of Board of Directors of

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CIN: L40200WB1935PLC008184

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A SARAF, Chief Financial Officer ACA: 060828
P MARDA, Director - Corporate Affairs & Company Secretary, ACS: 8625

Statement of Consolidated Cash Flow.

for the year ended 31 Dec 2021

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Cash flows from operating activities		
Profit before tax for the year	6,979.00	2,286.57
Adjustments for:		
Depreciation and amortisation expense	1,813.67	1,760.00
Loss on sale of non-current assets	10.26	0.09
Finance costs recognised in profit or loss	30.54	62.43
Interest income on unwinding of security deposits	(1.02)	(0.23)
Interest Income on deposits	(189.07)	(68.42)
Dividends on non-current investments	(216.76)	(145.50)
Share of profit from Joint Venture	(56.18)	(17.04)
Interest income on finance lease arrangement	(4.20)	(5.26)
Provision for doubtful receivables	(7.77)	90.35
Provision for warranties (Net)	18.68	51.92
Exceptional items	(2,754.52)	(17.11)
Operating cash flow before working capital changes	5,622.63	3,997.80
Movements in working capital:		
(Increase) / Decrease in trade receivables	4.18	(334.40)
Decrease in financial assets	72.32	11.74
Increase in other current and non-current assets	(1,671.99)	(259.05)
Increase in inventories	(5.12)	(31.87)
Increase in liabilities and provisions	2,619.76	293.89
Cash generated from operations	6,641.78	3,678.11
Income taxes paid (net)	(753.00)	(288.52)
Net cash generated from operating activities	5,888.78	3,389.59
Cash flows from investing activities		
Purchase for property, plant and equipment, Intangibles	(1,367.14)	(704.53)
Proceeds from disposal of property, plant and equipment	16.67	23.67
Advance received for Sale of Asset	-	250.00
Proceeds from disposal of Investments	2.38	-
Proceeds from disposal of Land / Asset Held for Sale	2,477.50	66.52
Income tax paid on profit from disposal of Land / Assets Held for Sale	(514.00)	(367.24)
Investment in Joint Venture	-	(20.00)
Dividends received	189.01	145.50
Interest received	170.14	73.71
Bank deposits (having original maturity of more than 3 months)	9.70	(8.99)
Net cash generated from/(used in) investing activities	984.26	(541.36)
Cash flows from financing activities		
Repayment of borrowings	-	(1,084.72)
Repayment of Lease Liability	(18.01)	(21.17)
Finance cost paid	-	(41.97)
Finance cost on Lease payment	(7.69)	(6.46)
Dividends paid to owners of the Company	(255.85)	(852.88)
Net cash used in financing activities	(281.55)	(2,007.20)
Net increase in cash and cash equivalents	6,591.49	841.03
Cash and cash equivalents at the begining of the year	3,241.44	2,400.41
Cash and cash equivalents at the end of the year	9,832.93	3,241.44

Note: The above Statement of Cash Flow has been prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows

The accompanying notes 1 to 50 are an integral part of the financial statements.

In terms of our report attached

for Deloitte Haskins and Sells LLP
Chartered Accountants, (FRN: 117366W/W-100018)

ABHIJIT BANDYOPADHYAY, Partner

Kolkata, 24 February, 2022

For and on behalf of Board of Directors of

Linde India Limited
CIN: L40200WB1935PLC008184

R HUGHES, Chairman DIN : 08493540
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

A SARAF, Chief Financial Officer ACA: 060828
P MARDA, Director - Corporate Affairs & Company Secretary, ACS: 8625

Notes to Consolidated Financial Statements.

for the year ended 31 December 2021

1. Company Overview

Linde India Limited is a public company having Corporate Identity Number L40200WB1935PLC008184. It is incorporated under the Companies Act, 1956 and its shares are listed on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). The Company is primarily engaged in manufacture of industrial and medical gases and construction of cryogenic and non-cryogenic air separation plants.

The functional and presentation currency of the Company is Indian Rupee ("Rs.").

As on 31 December 2021, The BOC Group United Kingdom owns 75% of the ordinary shares of the company and has the ability to control the company's operations.

The consolidated financial statements for the year ended 31 December 2021 were approved by the Board of directors and authorized for issue on 24 February 2022.

2. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its consolidated financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these consolidated financial statements, unless otherwise indicated.

a) Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time.

b) Basis of preparation of financial statements

These consolidated financial statements have been prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

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

c) Basis of consolidation

The consolidated financial statements of the company and its joint ventures have been prepared through incorporating the results and assets and liabilities of joint ventures in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income of the joint venture. Distributions received from a joint venture have been reduced from the carrying amount of the investment.

After application of the equity method of accounting, the Company determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Company's investment in joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Company discontinues the use of the equity method from the date when the investment ceases to be a joint venture, or when the investment is classified as held for sale.

Therefore, if a gain or loss previously recognised in other comprehensive income by that joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Company reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When the Company reduces its ownership interest in a joint venture but the Company continues to use the equity method, the Company reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Company entity transacts with a joint venture of the Company, profits and losses resulting from the transactions with the joint venture are recognised in the Company's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Company.

d) Use of estimates and critical accounting judgements

In preparation of the consolidated financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets, provision for employee benefits and other claims, provision and contingent liabilities, recoverability of deferred tax assets.

e) Current – Non-current classification

All assets and liabilities are classified into current and non-current assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in the company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is expected to be realised within 12 months after the reporting date; or
d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is due to be settled within 12 months after the reporting date; or
d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Based on the nature of manufacturing activity and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle for the purpose of current – non-current classification of assets and liabilities:

- as 12 months for the gases and related products of the Company
- as 24 months for the Project Engineering Division of the Company which are engaged in the manufacture and construction of cryogenic and non-cryogenic air separation plants.

f) Revenue recognition

A. Sale of Products

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Consolidated Statement of Profit & Loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

B. Revenue from Construction

Revenue from construction/project related activity is recognised as follows:

Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognized in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the Company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations).

In addition, the Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

Revenue also includes adjustments made towards liquidated damages and variation wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

C. Interest & Dividend Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Income from dividend is recognised when right to receive payment is established.

D. Other Income

Other Incomes are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

g) Property, Plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation or accumulated impairment loss, if any. Cost of item of property, plant and equipment includes purchase price, taxes, non- refundable duties, freight and other costs that are directly attributable to bringing assets to their working condition for their intended use. Expenses capitalised include applicable borrowing costs for qualifying assets, if any.

This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The residual values, useful lives and method of depreciation of Property, Plant & Equipment is reviewed at each financial year and adjusted prospectively, if any.

Spares that can be used only with particular items of plant and machinery and such usage is expected to be for more than once accounting period are capitalized.

Property, Plant and Equipment under construction are recognized as capital work in progress.

h) Provision for Decommissioning, Restoration and Similar Liabilities

The Company has liabilities related to dismantling (restoration of soil) and other related works, which are due upon the closure of certain of its production sites. Such liabilities are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using a discount rate where the effect of time value of money is material.

Future dismantling costs discounted to net present value, are capitalised and the corresponding dismantling liability is raised as soon as the obligation to incur such costs arises. Future dismantling costs are capitalised in property, plant and equipment as appropriate and are depreciated over the life of the related asset. The effect of the time value of money on the restoration and environmental costs liability is recognised in the statement of profit and loss.

i) Intangible assets

Software and Non- compete fees costs are included in the balance sheet as intangible assets where they are clearly linked to long term economic benefits for the Company. They are measured initially at purchase cost and then amortised on a straight line basis over their estimated useful lives. All other costs on software and non- compete fees are expensed in the statement of profit and loss as and when incurred.

Goodwill arising on acquisition of business is measured at cost less any accumulated impairment loss. Goodwill is assessed at every balance sheet date for any impairment.

Subsequent to initial recognition, intangible assets with definite useful lives are reported at cost less accumulated amortisation and accumulated impairment losses.

j) Depreciation of Property, Plant and Equipment

Depreciation computed as per the straight line method based on the management's estimate of useful life of a property, plant and equipment which is in accordance with the useful lives of property, plant and equipment indicated in Schedule II of the Act. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised.

For certain assets categorized under "Plant and equipment", based on internal assessment, the management believes that these assets have useful lives of 10 years, 15 years and 18 years, which is different from the useful lives as prescribed under Part C of Schedule II of the Act.

The following useful lives apply to the different types of tangible assets:

Buildings	10 – 40 years
Plant and Equipment	10 – 18 years
Furniture and fixtures	5 – 10 years
Vehicles	5 – 10 years
Office Equipment	3 – 10 years

Freehold land is not depreciated.

Assets individually costing Rs. 10,000 or less are fully depreciated in the year of acquisition.

Spares capitalized are being depreciated over the useful life / remaining useful life of the plant and machinery with which such spares can be used.

The useful lives are reviewed atleast at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

k) Amortisation of Intangible assets

Intangible assets except Goodwill are amortised in Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis.

The estimated useful lives of Intangible Assets are as follows:

Software	5 Years
Non-compete fee	5 -15 Years
Customer Relationship	25 Years

The useful lives are reviewed atleast at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

l) Impairment

The carrying amounts of property, plant & equipment, capital work in progress and intangible assets are reviewed at each Balance Sheet date, to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amounts are estimated at each reporting date. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-discount rate that reflects the current market assessments of the time value of money. An impairment loss is recognised whenever the carrying amount of an asset or the cash generating unit of which it is a part exceeds the corresponding recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss recognized for goodwill is not reversed in a subsequent period unless the impairment loss was caused by a specific external event of an exceptional nature that is not expected to recur, and subsequent external events have occurred that reverse the effect of that event.

m) Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

n) Inventories

Inventories which comprise raw materials, components, stores and spare parts are valued at lower of cost and net realisable value. Cost includes purchase price, duties and taxes (other than those subsequently recoverable by the Company from taxing authorities), freight inward and other expenditure in bringing inventories to present locations and conditions. In determining the cost, weighted average cost method is used. The carrying costs of raw materials, components and stores and spare parts are appropriately written down when there is a decline in replacement cost of such materials and the finished products in which they will be incorporated are expected to be sold below cost.

Finished goods are valued at the lower of cost and net realisable value. The comparison of cost and net realisable value is made on an item by item basis. Cost comprises of direct material and labour expenses and an appropriate portion of production overheads incurred in bringing the inventory to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of the production facilities.

Costs incurred on long term construction contracts representing general purpose item of inventories are disclosed as contract work in progress net of provision for loss.

o) Leases

The Company has adopted Ind AS 116 “Leases” and applied the standard to all lease contracts.

Company as a lessee

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term. When the lease liability is remeasured due to change in contract terms, a corresponding change is made to the carrying amount of right-of-use asset, or is recorded in the profit and loss account if the carrying amount of right-of-use asset is reduced to zero.

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance lease. Such assets acquired are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

Company as lessor

In respect of assets given on operating lease, the lease rental income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

p) Employee benefits

The Company’s obligation towards various employee benefits have been recognized as follows:

Short term benefits

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

Post-employment Benefits

Defined contribution plans

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

Defined benefit plans

Recognition and measurement of defined benefit plans:

For defined benefit retirement schemes i.e. gratuity, superannuation and post-retirement medical benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognized immediately in other comprehensive income. Such re-measurements are not re-classified to the Statement of Profit & Loss in the subsequent period. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value of plan assets.

Provident fund administered through Company’s trust for certain employees (in accordance with the Provident Fund Regulation) are defined benefit obligations with respect to the yearly interest guarantee. Annual charge is recognized based on actuarial valuation of the Company’s related obligation on the reporting date. Actuarial gain or losses for the year are recognized in the Statement of other Comprehensive Income.

Other long-term employee benefits

Compensated absences

Cost of long-term benefit by way of accumulating compensated absences that are expected to be availed after a period of 12 months from period-end are recognized when the employees render the services that increases their entitlement to future compensated absences. Such costs are recognized in the Statement of Profit & Loss on actuarial valuation of related obligation on the reporting date.

Termination Benefits

Termination Benefits, in the nature of voluntary retirement benefits or Termination Benefits arising from restructuring, are recognized in the Statement of Profit & Loss. The Company recognizes Termination Benefits at the earlier of the following dates:

(a) when the Company can no longer withdraw the offer of these benefits, or

(b) when the Company recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value

q) Foreign exchange transactions

Measurement of Foreign Currency items at reporting dates:

Foreign exchange transactions are recorded at the exchange rate prevailing on the date of the transactions. Year-end monetary assets and liabilities denominated in foreign currencies are translated at the year-end foreign exchange rates. Non- Monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction.

Exchange differences arising on settlements/ translations are recognised in the Statement of Profit and Loss.

r) Provisions, contingent liabilities and contingent assets

A provision is created when there is a present obligation (legal or constructive) as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Constructive obligation is an obligation that derives from an entity’s actions where:

(a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and;

(b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are generally not recognized but are disclosed when inflow of economic benefit is probable.

Provisions, Contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

s) Income taxes

Tax expense for the year comprises current tax and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company’s liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction and there is an intention to settle the asset & liability on a net basis.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case tax is also recognized in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

t) Earnings per share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti- dilutive.

u) Financial Instruments

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at Transaction price.

(a) Financial assets

i. Financial assets at amortised cost:

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

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

ii. Financial assets measured at fair value

Fair Value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Fair value through the statement of profit and loss (FVTPL)

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss. Fair value changes are recognized in the Statement of Profit & Loss at each reporting period.

iii. Cash and bank balances

Cash and bank balances consist of:

(i) Cash and cash equivalents - which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

(ii) Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

Impairment of financial assets:

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income. The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition. The Impairment losses and reversals are recognized in the Statement of Profit & Loss.

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a collateralised borrowing for the proceeds received. On de-recognition of a Financial Asset (except for Financial Assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit & Loss.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The differences between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit & Loss.

Derivative financial instruments and hedge accounting

The Company enters into forward contracts and principal and interest swap contracts to hedge its risks associated with foreign currency and variable interest rate fluctuations related to existing financial assets and liabilities, certain firm commitments and forecasted transactions. These derivative contracts are being considered as cash flow hedge.

The use of hedging instruments is governed by the Company's policies approved by the Board of Directors. The Company does not use these contracts for trading or speculative purposes.

To designate a forward contract/ swap contract as an effective hedge, management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract whether the contract is effective in offsetting cash flows attributable to the hedged risk.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The Company adopts hedge accounting for forward and interest rate contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item or transaction and the nature of the risk being hedged. At inception each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the statement of profit and loss. The effective portion is recognized in Other Comprehensive Income.

When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in equity and the ineffective portion is taken to the statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognized in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

v) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

w) Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are not depreciated or amortized.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

x) Business Combinations

Business Combinations are accounted for using the acquisition method of accounting, except for common control transactions which are accounted using the pooling of interest method that is accounted at carrying values. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities assumed at their acquisition date i.e. the date on which control is acquired.

Goodwill arising on business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the fair value of net identifiable assets acquired and liabilities assumed. After initial recognition, Goodwill is tested for impairment annually and measured at cost less any accumulated impairment losses if any.

3. New and amended standards adopted by the Company

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from January 01, 2021.

MCA issued notifications dated 24th March, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting January 01, 2022.

4. Critical accounting judgements and key sources of estimation uncertainty

The preparation of consolidated financial statements in conformity with generally accepted accounting principles which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying accounting policies:

The following are the critical judgments, apart from those involving estimations [see point below], that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

i) Joint Control

The group holds 50% of the equity share capital of Bellary Oxygen Company Private Limited (Belloxy), a company involved in operation of manufacturing of industrial gases and 50% of the equity share capital of Linde South Asia Services Private Limited (formerly known as LSAS Services Private Limited), a company involved in providing management services. The group do not consider that it is able to exercise control over these companies as the decisions about relevant activities of the company are made jointly between the group and the co-venturer (who holds 50% of the equity share capital) and both the parties have rights to the net assets of such arrangement.

Key sources of estimation uncertainty:
The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

i) Useful life of Property, Plant and Equipment and Intangible assets
The Company has made in the process of applying its accounting policies that have a significant effect on the amounts recognised in these financial statements pertain to useful life of Property, Plant and Equipment and Intangible assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. Currently, the Intangible assets have been determined to have a finite useful life and are amortised over this useful life.

In terms of Part B of Schedule II of the Companies Act, 2013, the Company has followed the depreciation rates and depreciation method which is reviewed at each year end.

ii) Deferred tax assets
Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

iii) Claims, Provisions and Contingent Liabilities
Contingent liabilities arising from past events the existence of which would be confirmed only on occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Company. Or

Contingent liabilities where there is a present obligations but it is not probable that economic benefits would be required to settle the obligations are disclosed in the financial statements unless the possibility of any outflow in settlement is remote.

Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

iv) Impairment of Property, Plant and Equipment
At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

v) Actuarial Valuation
The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

vi) Revenue Recognition
(i) Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

(ii) Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

5. Property, plant and equipment and Capital work- in- progress

in Rupees million	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total Tangible Assets	Capital work in progress	Total tangible assets including capital work in progress
I.Cost/Deemed cost as at 1 January 2021	**212.27**	**968.33**	**26,767.42**	**45.83**	**48.94**	**166.76**	**28,209.55**	**170.58**	**28,380.13**
Additions	-	35.48	344.47	-	16.13	0.56	396.64	1,114.08	1,510.72
Disposals	(0.76)	(12.55)	(192.43)	(3.15)	(1.23)	(1.35)	(211.47)	-	(211.47)
Assets capitalised during the year	-	-	-	-	-	-	-	(604.26)	(604.26)
Classified as Assets held for sale (refer note 16)	(18.12)	-	-	-	-	-	(18.12)	-	(18.12)
Cost /Deemed cost as at 31 December 2021	**193.39**	**991.26**	**26,919.46**	**42.68**	**63.84**	**165.97**	**28,376.60**	**680.40**	**29,057.00**
II. Accumulated depreciation and impairment									
Balances as at 1 January 2021	**-**	**270.34**	**8,067.30**	**28.93**	**22.20**	**136.01**	**8,524.78**	**-**	**8,524.78**
Depreciation expense for the year	-	43.42	1,713.94	4.37	19.24	14.28	1,795.25	-	1,795.25
Disposals	-	(3.67)	(38.31)	(2.93)	(1.15)	(1.31)	(47.37)	-	(47.37)
Balances as at 31 December 2021	**-**	**310.09**	**9,742.93**	**30.37**	**40.29**	**148.98**	**10,272.66**	**-**	**10,272.66**
Net carrying value as at 31 December 2021	**193.39**	**681.17**	**17,176.53**	**12.31**	**23.55**	**16.99**	**18,103.94**	**680.40**	**18,784.34**
Net carrying value as at 1 January 2021	212.27	697.99	18,700.12	16.90	26.74	30.75	19,684.77	170.58	19,855.35

5. Property, plant and equipment and Capital work- in- progress

in Rupees million	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total Tangible Assets	Capital work in progress	Total tangible assets including capital work in progress
I.Cost/Deemed cost as at 1 January 2020	**212.27**	**930.29**	**25,864.27**	**47.36**	**20.00**	**182.88**	**27,257.07**	**529.39**	**27,786.46**
Additions	-	39.23	1,011.26	0.19	29.91	19.15	1,099.74	661.88	1,761.62
Disposals	-	(1.19)	(108.11)	(1.72)	(0.97)	(35.27)	(147.26)	-	(147.26)
Assets capitalised during the year	-	-	-	-	-	-	-	(1,020.69)	(1,020.69)
Cost /Deemed cost as at 31 December 2020	**212.27**	**968.33**	**26,767.42**	**45.83**	**48.94**	**166.76**	**28,209.55**	**170.58**	**28,380.13**
II. Accumulated depreciation and impairment									
Balances as at 1 January 2020	**-**	**226.94**	**6,497.30**	**25.40**	**13.11**	**146.28**	**6,909.03**	**-**	**6,909.03**
Depreciation expense for the year	-	44.58	1,657.30	5.25	10.04	22.07	1,739.24	-	1,739.24
Disposals	-	(1.18)	(87.30)	(1.72)	(0.95)	(32.34)	(123.49)	-	(123.49)
Balances as at 31 December 2020	**-**	**270.34**	**8,067.30**	**28.93**	**22.20**	**136.01**	**8,524.78**	**-**	**8,524.78**
Net carrying value as at 31 December 2020	**212.27**	**697.99**	**18,700.12**	**16.90**	**26.74**	**30.75**	**19,684.77**	**170.58**	**19,855.35**
Net carrying value as at 1 January 2020	212.27	703.35	19,366.97	21.96	6.89	36.60	20,348.04	529.39	20,877.43

The above includes following assets given on operating lease:

in Rupees million	Buildings	Plant and Equipment	Total Tangible Assets
Cost/Deemed cost as at 1 January 2021	421.16	19,249.27	19,670.43
Accumulated Depreciation	177.33	6,856.74	7,034.07
Net carrying value as at 31 December 2021	243.83	12,392.53	12,636.36
Depreciation expense for the year	19.78	1,154.09	1,173.87
Cost/Deemed cost as at 1 January 2020	421.57	19,355.70	19,777.27
Accumulated Depreciation	157.55	5,702.65	5,860.20
Net carrying value as at 31 December 2020	264.02	13,653.05	13,917.07
Depreciation expense for the year	19.82	1,071.33	1,091.15

6. Right of Use Asset

in Rupees million	Land	Buildings	Plant and Equipment	Total
I. Cost/Deemed cost as at 1 January 2021	171.32	43.29	6.35	220.96
Additions	-	-	184.22	184.22
Disposals	-	-	-	-
Cost/Deemed cost as at 31 December 2021	171.32	43.29	190.57	405.18
II. Accumulated amortisation				
Balances as at 1 January 2021	4.96	11.14	1.06	17.16
Amortisation expense for the year	4.72	6.99	3.11	14.82
Disposals	-	-	-	-
Balances as at 31 December 2021	9.68	18.13	4.17	31.98
Net carrying value as at 31 December 2021	161.64	25.16	186.40	373.20
Net carrying value as at 1 January 2021	166.36	32.15	5.29	203.80

in Rupees million	Land	Buildings	Plant and Equipment	Total
I. As on transition to IND AS 116 1 January 2020	168.32	74.69	6.35	249.36
Additions	3.00	-	-	3.00
Disposals	-	31.40	-	31.40
Cost/Deemed cost as at 31 December 2020	171.32	43.29	6.35	220.96
II. Accumulated amortisation and impairment				
As on transition to IND AS 116 1 January 2020				
Amortisation expense for the year	4.96	11.14	1.06	17.16
Disposals	-	-	-	-
Balances as at 31 December 2020	4.96	11.14	1.06	17.16
Net carrying value as at 31 December 2020	166.36	32.15	5.29	203.80

7A. Goodwill

in Rupees million	Goodwill
I. Cost/Deemed cost as at 1 January 2021	-
Additions	89.34
Cost/Deemed cost as at 31 December 2021	89.34
II. Accumulated Impairment loss	
Balances as at 1 January 2021	-
Impairment losses for the year	-
Balances as at 31 December 2021	-
Net carrying value as at 31 December 2021	89.34
Net carrying value as at 1 January 2021	-

7B. Other Intangible assets

in Rupees million	Software	Non-Compete Fees	Customer Relationship	Total Other Intangible assets
I. Cost/Deemed cost as at 1 January 2021	25.88	7.51	-	33.39
Additions	0.10	11.74	107.49	119.33
Disposals	-	-	-	-
Cost/Deemed cost as at 31 December 2021	25.98	19.25	107.49	152.72
II. Accumulated amortisation and impairment				
Balances as at 1 January 2021	22.55	7.51	-	30.06
Amortisation expense for the year	2.73	0.14	0.73	3.60
Disposals	-	-	-	-
Balances as at 31 December 2021	25.28	7.65	0.73	33.66
Net carrying value as at 31 December 2021	0.70	11.60	106.76	119.06
Net carrying value as at 1 January 2021	3.33	-	-	3.33

in Rupees million	Software	Non-Compete Fees	Customer Relationship	Total Other Intangible assets
I. Cost/Deemed cost as at 1 January 2020	22.30	7.51	-	29.81
Additions	3.58	-	-	3.58
Disposals	-	-	-	-
Cost/Deemed cost as at 31 December 2020	25.88	7.51	-	33.39
II. Accumulated amortisation and impairment				
Balances as at 1 January 2020	18.95	7.51	-	26.46
Amortisation expense for the year	3.60	-	-	3.60
Disposals	-	-	-	-
Balances as at 31 December 2020	22.55	7.51	-	30.06
Net carrying value as at 31 December 2020	3.33	-	-	3.33
Net carrying value as at 1 January 2020	3.35	-	-	3.35

8. Investments

in Rupees million	As at 31 Dec 2021 Quoted	As at 31 Dec 2021 Unquoted	As at 31 Dec 2020 Quoted	As at 31 Dec 2020 Unquoted
Non-Current				
Investments in equity instruments				
Joint venture (classified at cost)				
Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Private Limited)	-	92.52	-	36.35
2,000,000 equity shares of Rs. 10 each				
(31 Dec 2020: 2,000,000 equity shares of Rs. 10 each)				
Others (classified at fair value through OCI)				
Woodlands Multispeciality Hospital Limited*	-	-	-	0.00
Nil equity shares of Rs. 10 each				
(31 Dec 2020: 2,980 equity shares of Rs. 10 each)				
JSW Steel Limited	0.66	-	0.39	-
1,000 shares of Re. 1 each				
(31 Dec 2020: 1,000 of Re. 1 each)				
	0.66	92.52	0.39	36.35

Additional Information				
Aggregate amount of quoted investments and market value thereof	0.66	-	0.39	-
Aggregate amount of unquoted investments	-	92.52		36.35
Aggregate amount of impairment in value of investments*	-	-	-	0.00

* Investment written down to nominal value of Re. 1.00 in the year ending 31 March 2004; it has been sold during the year.

9. Other financial assets

in Rupees million	As at 31 Dec 2021 Non current	As at 31 Dec 2021 Current	As at 31 Dec 2020 Non current	As at 31 Dec 2020 Current
Unsecured, considered good				
Loans to employees	-	4.39	-	0.91
Receivables from related parties for recovery of expenses	-	84.03	-	132.85
Security deposits	38.23	0.44	18.13	8.21
Finance lease receivable	10.86	4.44	15.30	3.49
Claims including escalation	-	273.12	-	195.86
Interest accrued on deposit	-	24.77	-	1.65
Others	-	21.14	-	134.21
	49.09	412.33	33.43	477.18

10. Non Current tax assets (net)

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Advance tax (net of provisions)	146.20	96.79
	146.20	96.79

11. Other assets

in Rupees million	As at 31 Dec 2021 Non current	As at 31 Dec 2021 Current	As at 31 Dec 2020 Non current	As at 31 Dec 2020 Current
Unsecured, considered good				
To related parties				
Advances for supplies/ services	-	201.72	-	34.31
To parties other than related parties				
Capital advances	77.49	-	59.81	-
Advances for supplies/ services	-	1,062.03	-	310.57
Advance with public bodies and tax authorities				
Customs, excise, sales tax,etc.	366.57	-	338.21	-
GST receivable	-	412.38	-	464.00
Unbilled revenue	1,276.64	1,816.34	1,271.45	1,073.63
Security deposits	100.76	-	93.13	-
Prepaid expenses	7.33	11.09	7.46	29.45
Advance to employees	-	2.96	-	3.00
	1,828.79	3,506.52	1,770.06	1,914.96

12. Inventories

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Raw materials	9.98	7.98
Work in progress	17.16	18.64
Finished goods	258.98	283.94
Stores and spares	404.92	375.35
	691.04	685.91

i) Finished goods Includes Good in Transit of **Rs. 2.03 million** (31 Dec 2020: Rs.24.76 million)

ii) The value of stores and spares above is after providing for slow moving and obsolete spares of **Rs. 189.17 million** (31 Dec 2020: Rs. 169.43 million)

iii) Cost of inventory recognised as expense during the year amount to **Rs.13,161.50 million** (31 Dec 2020: Rs. 11,032.18 million)

13. Trade receivables

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Trade receivables		
Unsecured, considered good	3,958.57	4,072.12
Credit Impaired	30.67	58.84
Unsecured, considered doubtful	195.30	273.52
Less: Allowance for credit losses	225.97	332.36
	3,958.57	4,072.12

In determining the allowances for credit losses of trade receivables, the company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. In addition to this Company provides for credit loss based on increase in credit risk on case to case basis.

i) Movements in allowance for expected credit losses of receivables is as below:

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Balance at the beginning of the year	332.36	268.52
Allowances made during the year	98.87	144.18
Release to statement of profit and loss	(106.64)	(53.83)
Bad debt written off	(98.62)	(26.51)
Balance at the end of the year	**225.97**	**332.36**

Trade Receivables

Out of the Trade receivables **Rs.1,724.15 million** (31 Dec 2020: Rs. 1,315.91 million) is due from the Company's major customers i.e. having more than 5% of total outstanding trade receivables.

ii) There is no outstanding debts due from directors or other officers of the Company.

iii) Ageing of trade receivables and credit risk arising there from as below:

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Amounts not yet due	2,813.51	2,731.36
Three months overdue	639.80	941.09
Between three to twelve months overdue	356.34	308.68
Greater than twelve months overdues	374.89	423.35
	4,184.54	4,404.48

14. Cash and cash equivalents

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Cash in hand *	-	0.01
Balances with banks		
In Current account	80.43	121.88
In Deposit account - Original maturity of 3 months or less	9,752.50	3,119.55
	9,832.93	3,241.44

* Cash in hand represents prepaid cards issued by designated banks to the employees on behalf of the company for business purpose.

15. Other balances with bank

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
In Other deposit accounts		
Original maturity more than 3 months#	1.87	11.59
Earmarked balances with banks		
Escrow Account fixed deposits##	39.36	-
Unclaimed dividend accounts	5.57	5.55
	46.80	17.14

these deposit has been lien marked against earnest money deposits

this deposit is payable after 2 years on satisfaction of terms and conditions

16. Assets classified as held for sale

The Assets classified as held for sale comprises of (i) Investment in Joint Venture company, Bellary Oxygen Company Private Limited (Belloxy), which will get reverse upon liquidation; and (ii) part of the land at Parwada, Vizag has been identified for sale.

During the year, Belloxy has sold its 855 tonnes per day Air Separation Unit and other related assets to JSW Steel Ltd., which form part of the Belloxy Divestment. As a consequence of this, the Hold Separate Arrangement in respect of the Belloxy Divestment has come to an end and CCI has passed its closure order.

As the Belloxy Investments has been classified as Asset held for sale, accordingly the management has impaired the Investments by **Rs. 189.74 million** (31 Dec 2020 - Rs. 94.37 million) to the extent carrying amount is higher than the fair value of Belloxy, in the Consolidated financial results and shown it as an exceptional item.

The major classes of assets held for sale is as below:

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Assets classified as held for sale:		
Land	18.12	-
Property, plant and equipment	-	40.13
Capital work-in-progress	-	6.16
Investments in joint venture	216.59	406.32
	234.71	452.61

17. Equity Share Capital

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Authorised:		
86,000,000 Equity Shares of Rs. 10 each	860.00	860.00
(31 Dec 2020: 86,000,000 Equity Shares of Rs. 10 each)		
	860.00	860.00
Issued:		
85,286,209 Equity Shares of Rs. 10 each	852.86	852.86
(31 Dec 2020: 85,286,209 Equity Shares of Rs. 10 each)		
Subscribed and paid up :		
85,284,223 Equity Shares of Rs. 10 each	852.84	852.84
(31 Dec 2020: 85,284,223 Equity Shares of Rs. 10 each)		
	852.84	852.84

i) The movement in subscribed and paid up share capital is as below:

in Rupees million	As at 31 Dec 2021 Share capital		As at 31 Dec 2020 Share capital	
	No of Shares	Amount in Rs. Million	No of Shares	Amount in Rs. Million
Balance at the beginning of the year	85,284,223	852.84	85,284,223	852.84
Shares issued during the year	-	-	-	-
Balance at the end of the year	85,284,223	852.84	85,284,223	852.84

ii) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

in Rupees million	As at 31 Dec 2021		As at 31 Dec 2020	
	No of Shares	Amount in Rs. Million	No of Shares	Amount in Rs. Million
The BOC Group Ltd,U.K., holding company	63,963,167	639.63	63,963,167	639.63

iii) Particulars of shareholders holding more than 5% shares in the company is as below

in Rupees million	As at 31 Dec 2021		As at 31 Dec 2020	
	No of Shares	% of total shares in class	No of Shares	% of total shares in class
The BOC Group Ltd,U.K., holding company	63,963,167	75.00%	63,963,167	75.00%
Nippon Life India Trustee Limited (Formerly Reliance Capital Trustee Co. Ltd)	4,786,233	5.61%	8,302,068	9.73%

iv) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividend and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholders on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

18. Other equity

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Securities Premium	6,972.52	6,972.52
General Reserve	995.67	995.67
Retained Earnings	18,324.88	13,521.77
Equity instruments through other comprehensive income	2.94	0.29
	26,296.01	21,490.25

18 A. Movement in other equity

in Rupees million	Reserve and Surplus			Equity instruments through other comprehensive Income	Total
	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at 1 January 2020	6,972.52	995.67	12,897.87	0.19	20,866.25
Profit for the year	-	-	1,510.99	-	1,510.99
Movement in reserve for Ind AS 116	-	-	(16.70)	-	(16.70)
Payment of Dividends*	-	-	(852.88)	-	(852.88)
Other Comprehensive Income (net of taxes)	-	-	(17.51)	0.10	(17.41)
Balance as at 31 December 2020	6,972.52	995.67	13,521.77	0.29	21,490.25
Profit for the year	-	-	5,072.18	-	5,072.18
Payment of Dividends**	-	-	(255.85)	-	(255.85)
Other Comprehensive Income (net of taxes)	-	-	(13.22)	2.65	(10.57)
Balance as at 31 Dec 2021	6,972.52	995.67	18,324.88	2.94	26,296.01

* Dividend of Rs 10.00 per share

** Dividend of Rs 3.00 per share

18 B. Nature and purpose of reserves

(a) Securities Premium

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the "Companies Act").

(b) General Reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in general reserve during the current and previous year.

(c) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(d) Equity instruments through other comprehensive Income

This Reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments measured at fair value through Other Comrehensive Income, net of amounts reclassified, If any, to Retained Earnings when those instruments are disposed off.

(e) Effective portion of Cash Flow Hedges

This Reserve represents the cumulative effective portion of changes in fair value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the financial asset in accordance with the company's accounting policy.

19. Other financial liabilities

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
	Current	Current
Unclaimed dividends	5.57	5.55
Creditors for capital supplies and services	437.69	486.57
Security deposits from customers	118.83	106.91
Other employee liabilities	8.76	10.79
	570.85	609.82

20. Provisions

in Rupees million	As at 31 Dec 2021		As at 31 Dec 2020	
	Non current	Current	Non current	Current
Provision for employee benefits				
Retirement benefits obligations (refer note 38)				
Gratuity	54.57	-	48.01	-
Pension	109.89	-	75.76	-
Post retirement medical benefit	153.44	14.09	150.41	14.43
Other long-term employee benefits				
Compensated absences	31.20	4.66	10.04	1.86
Other provisions				
Asset restoration obligations [refer note (a)]	357.53	-	335.86	-
Provision for warranties [refer note (b)]	-	191.26	-	175.21
Provision for liquidated damages [refer note (c)]	-	-	-	-
Provision for contingencies [refer note (d)]	-	196.00	-	197.06
	706.63	406.01	620.08	388.56

20.1 Movement in other provisions

in Rupees million	Asset restoration obligations	Provision for warranties	Provision for liquidated damages	Provision for contingencies
Balance as at 1 January 2021	335.86	175.21	-	197.06
Add: Provision during the year*	21.67	39.47	-	-
Less: Utilised during the year	-	23.42	-	1.06
Less: Reversed during the year	-	-	-	-
Balance as at 31 December 2021	357.53	191.26	-	196.00
Balance as at 1 January 2020	298.14	130.68	23.66	287.95
Add: Provision during the year*	37.72	86.07	-	2.41
Less: Utilised during the year	-	41.54	-	66.33
Less: Reversed during the year	-	-	23.66	26.97
Balance as at 31 December 2020	335.86	175.21	-	197.06

* Includes **Rs 22.85 millions** (31 Dec 2020: Rs 21.40 millions) on account of unwinding of interest for asset restoration obligation.

(a) Provision for asset restoration obligation

Provision is towards estimated cost to be incurred on dismantling of plants at the customers' site upon expiry of the tenure of the contractual agreement with the customer. Such cost has been capitalised under plant and machinery.

(b) Provision for warranties

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing and past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period.

(c) Provision for liquidated damages

Liquidated damages are provided based on contractual terms when the delivery/commissioning dates of an individual project have exceeded or are likely to exceed the delivery/commissioning dates and/or on the deviation in contractual performance as per the respective contracts. This expenditure is expected to be incurred over the respective contractual terms up to closure of the contract (including warranty period).

(d) Provision for contingencies

Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for.

21. Deferred tax libilities (Net)

a) Movement of deferred tax

in Rupees million	As at 1 Jan 2021	Movement in reserve for Ind AS116	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 Dec 2021
Deferred tax liabilities					
Depreciation & amortisation	3,558.18	-	(113.54)	-	3,444.64
Finance income from finance lease arrangement	6.55	-	(1.22)	-	5.33
	3,564.73	**-**	**(114.76)**	**-**	**3,449.97**
Deferred tax assets					
Employee benefits	118.50	-	(0.26)	6.62	124.86
Provisions for doubtful receivables, contingencies, warranties	309.91	-	(7.72)		302.19
Interest on Dismantling	14.57	-	5.30		19.87
Lease Ind AS 116	11.23	-	(0.08)		11.15
Others	35.26	-	66.30	(0.91)	100.65
	489.47	**-**	**63.54**	**5.71**	**558.72**
Minimum Alternate Tax Credit Entitlement	754.35	-	(754.35)	-	-
	2,320.91	**-**	**576.05**	**(5.71)**	**2,891.25**

in Rupees million	As at 1 Jan 2020	Movement in reserve for Ind AS116	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 Dec 2020
Deferred tax liabilities					
Depreciation & amortisation	3,531.37	-	26.81	-	3,558.18
Finance income from finance lease arrangement	7.39	-	(0.84)	-	6.55
	3,538.76	**-**	**25.97**	**-**	**3,564.73**
Deferred tax assets					
Employee benefits	111.87	-	(2.48)	9.11	118.50
Provisions for doubtful receivables, contingencies, warranties	316.20	-	(6.29)	-	309.91
Interest on Dismantling	7.09	-	7.48	-	14.57
Lease Ind AS 116	-	8.97	2.26	-	11.23
Others	2.04	-	32.98	0.24	35.26
	437.20	**8.97**	**33.95**	**9.35**	**489.47**
Minimum Alternate Tax Credit Entitlement	1,140.19	-	(385.84)	-	754.35
	1,961.37	**(8.97)**	**377.86**	**(9.35)**	**2,320.91**

b) Income tax expense

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Current Tax		
Current income tax charge	1,330.76	397.71
Deferred Tax		
In respect of current year origination and reversal of temporary differences	576.06	377.87
	1,906.82	775.58

c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Profit Before tax	6,979.00	2,286.57
Statutory Income Tax Rate	34.944%	34.944%
Income Tax using the Company's domestic Tax rate	2,438.74	799.02
Tax Effect of :		
- Income Exempt from Tax/Items not deductible	(16.94)	(23.26)
- Effect of Income Taxable at lower rate	(507.94)	1.85
- Income from House Property	(2.03)	(2.03)
- Others	(5.01)	-
	1,906.82	775.58

22. Other liabilities

in Rupees million	As at 31 Dec 2021		As at 31 Dec 2020	
	Non current*	Current	Non current*	Current
Advances received from customers	435.77	1,630.77	415.72	865.21
Advances received for Sale of Assets	-	53.00	-	553.00
Statutory dues				
Tax deducted and collected at source	-	34.80	-	16.82
GST payable	-	163.36	-	138.22
Others	-	4.30	-	4.65
	435.77	1,886.23	415.72	1,577.90

* This includes advance received from customer for an indirect tax case, mobilisation advance from customers which are adjustable over a period, etc.

23. Trade payables

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Creditors for supplies and services		
Dues to micro and small enterprises	10.12	3.33
Others	5,782.79	4,335.78
Creditors for accrued wages and salaries	84.67	176.64
	5,877.58	4,515.75

The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprise Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the company. The disclosure relating to Micro and Small Enterprises are as follows :

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
(i) (a) The principal amount remaining unpaid to supplier as at the end of the year	10.12	3.33
(b) The interest due thereon remaining unpaid to supplier as at the end of the year	0.24	0.01
(ii) The amount of interest paid by buyer in terms of section 18, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
(a) principle	59.46	14.94
(b) Interest	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act	0.65	0.60
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	1.50	0.61
(v) The amount of further interest remaining due & payable even in the suceeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of dsiallowance as a deductible expenditure under section 23.	0.12	-

24. Revenue from operations

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Sale of products (gases)	**16,513.86**	**11,949.83**
Air separation unit gases	15,640.41	11,332.43
Other cylinder gases	808.44	534.36
Others	65.01	83.04
Revenue from construction contracts	**4,601.52**	**2,756.15**
Vessels, plant and other project engineering contracts	4,601.52	2,756.15
Other operating income	**4.20**	**5.26**
Interest income on finance lease arrangement	4.20	5.26
	21,119.58	**14,711.24**

25. Other income

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Rent	19.40	19.40
Dividend income from joint venture	216.76	145.50
Miscellaneous income	120.38	92.84
Interest income on unwinding of security deposits	1.02	0.23
Interest income on deposits	189.07	68.42
	546.63	**326.39**

26. Cost of materials consumed

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Inventory of materials at the begining of the year	7.98	13.25
Purchases	3,933.64	1,707.37
Less : Inventory of materials at the end of the year	9.98	7.98
	3,931.64	**1,712.64**

27. Purchase of stock in trade

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Air separation unit gases	1,999.15	1,219.07
Other cylinder gases	911.60	545.11
Others	1.22	21.81
	2,911.97	**1,785.99**

28.Changes in inventories of finished goods, work-in-progress and stock-in-trade

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Inventories at the beginning of the year		
Finished goods	283.94	248.33
Work-in-progess	18.64	14.27
	302.58	**262.60**
Less: Inventories at the closing of the year		
Finished goods	258.98	283.94
Work-in-progess	17.16	18.64
	276.14	**302.58**
	26.44	**(39.98)**

29. Employee benefit expenses

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Salaries and wages, including bonus	428.22	623.54
Contribution to provident and other funds	60.04	43.50
Workmen and staff welfare expenses	14.22	20.79
	502.48	687.83

During the year, the Company recognised an amount of **Rs. 38.49 million** (31 Dec 2020: Rs. 32.44 million) as remuneration to Key Managerial Personnel. The details of such remuneration is as below:

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Short term employee benefits	37.13	31.22
Post employement benefits	1.36	1.22
	38.49	32.44

30. Finance costs

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Interest expense	-	34.57
On long and short term borrowings from banks	-	34.57
Interest expense on unwinding	22.85	21.40
Of dismantling cost	22.85	21.40
Interest expense on Lease Liability	7.69	6.46
	30.54	62.43

31. Depreciation and amortisation

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Depreciation on tangible assets	1,810.07	1,756.40
Amortisation of intangible assets	3.60	3.60
	1,813.67	1,760.00

32. Other expenses

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Consumption of stores and spares	78.85	74.19
Repairs to buildings	5.49	1.74
Repairs to plant and machinery	260.12	177.68
Repairs to others	17.44	43.51
Freight and handling charges	1,318.26	1,106.03
Rent	15.22	13.14
Loss on foreign exchange (Net)	(0.95)	54.60
Rates and taxes	1.37	2.56
Insurance charges	101.29	96.41
Allowances for doubtful debts	(7.77)	90.35
Contract job expenses	345.14	505.98
Profit on disposal of property, plant and equipment (Net)	10.26	(0.09)
Provision for warranties (Net)	18.68	51.92
Technical support fees	464.29	251.71
Travelling expenses	28.31	39.22
Telephone and communication expenses	15.59	18.81
Support Services cost	1,308.88	512.15
Corporate social responsibility expenditure	32.58	8.55
Miscellaneous expenses (refer note 33)	239.67	297.69
	4,252.72	3,346.15

33. Miscellaneous expenses under note 32 include auditors' remuneration

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Auditor's remuneration and out-of-pocket expenses		
Audit fee	2.20	2.20
Limited reviews	2.15	1.80
Tax audit fee	1.00	1.00
Other Services	0.22	1.25
Reimbursement of expenses	0.25	0.39
	5.82	6.64

34. Exceptional Items

Exceptional item in current year represents profit of **Rs 2,944.26 million** on disposal of land and buildings pertaining to its closed factory (Packaged Gases Plant) at 48/1 Diamond Harbour Road, Kolkata. In 2020, a profit of Rs 111.48 million has been recognised due to additional consideration received from divestment of South Region Divestment Business for movement of working capital and reversal of provisions for expenses taken earlier which was no longer required.

The exceptional items also include Impairment of Belloxy Investment (refer note 16) of **Rs 189.74 million** (2020 - Rs 94.37million).

35. Earnings per share

The following table reflects profit and shares data used in the computation of basic and diluted earnings per share.

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
a) Profit after tax	5,072.18	1,510.99
Profit attributable to ordinary shareholders - for basic and diluted EPS	5,072.18	1,510.99
	Nos	Nos
b) Weighted average number of Ordinary Shares for basic and diluted EPS	85,284,223	85,284,223
Nominal value of ordinary shares (Rs.)	10.00	10.00
Basic and diluted earnings per ordinary share (Rs.)	59.47	17.72

36. Contingent liabilities

Contingencies:

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable.

Litigations :

The Company is involved in legal proceedings, both as plaintiff and as defendant. There are claims which the Company does not believe to be of material nature other than those described below.

a) Excise Duty and Service Tax

As at 31 December 2021, there were pending litigations for various matters relating to excise duty and service taxes involving demands of Rs. 304.62 million (31 Dec 2020 : Rs. 304.62 million).

b) Sales Tax /VAT

As at 31 December 2021, the total sales tax demands that are being contested by the Company amounted to Rs. 650.82 million (31 Dec 2020: Rs. 654.46 million). The details of demand for more than Rs. 100 million are as follows:

As on 31 December 2021 Sales tax Authority have raised demand of Rs. 508.54 million for the period 2008-09 to 2017-18 (31 Dec 2020: Rs. 492.07 million) on account of non levy of sales tax for facility charges recovered from a customer for providing pipeline infrastructure at their premises. Company has contested the demand and currently the matter is at appellate stage. It is reimbursable by the customer as per agreement.

c) Other claims

Other amounts for which the Company may contingently be liable aggregate to Rs. 6.60 million (31 Dec 2020: Rs. 6.60 million).

It is not practicable for the company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

37. Commitments

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Estimated capital commitments (net of advance) remaining to be executed and not provided for	459.08	162.89

38. Employee Benefits

i) Defined Contribution Plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Super Annuation Fund and Pension Fund, which is a defined contribution plan. The company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The only amounts included in the balance sheet are those relating to the prior months contribution that are not due to be paid until the end of reporting period. The amount recognised as an expense towards contribution to Provident Fund, Super Annuation Fund and Pension Fund for the year aggregated to Rs. 22.08million (31 Dec 2020: Rs. 21.06 million) in note 29.

ii) Defined Benefit Plan

Description of Plans

Retirement Benefit Plans of the Company include Gratuity, Pension and Post retirement medical benefits.

Gratuity & Pension

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. Gratuity is funded through direct investment under Indian Oxygen Limited Executive and Graded-Staff Gratuity Funds. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

Investments of Pension for some employees are managed through Company managed trust.

Post retirement medical benefits

Under this unfunded scheme, employees of the Company receive medical benefits subject to certain limits on amounts of benefits, periods after retirement and types of benefits, depending on their grade and location at the time ofretirement. The Company accounts for the liability for post-retirement medical scheme based on an actuarial valuation.

Governance

The trustees of the trust fund are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. They are tasked with periodic reviews of the solvency of the fund and play a role in the long-term investment, risk management and funding strategy.

Investment Strategy

The Company's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. The plans expose the Company to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and inflation risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/highquality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Inflation risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The Company has developed policy guidelines for the allocation of assets to different classes with the objective of controlling risk and maintaining the right balance between risk and long term returns in order to limit the cost to the Company of the benefits provided.

38. Employee Benefits (contd)

Pension and Gratuity

A. Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans (funded) at the Balance Sheet date were:

in Rupees million	Pension		Gratuity	
	2021	2020	2021	2020
Present value of obligation	131.46	97.00	101.26	95.16
Fair value of plan assets	(21.57)	(21.24)	(46.69)	(47.15)
Liability recognised in the Balance Sheet (Refer note 20)	109.89	75.76	54.57	48.01

B. Movements in Present Value of Obligation and Fair Value of Plan Assets

in Rupees million	Pension			Gratuity		
	Plan Assets	Plan Obligation	Total	Plan Assets	Plan Obligation	Total
As at 1 January, 2020	19.93	87.36	67.43	43.43	163.38	119.95
Current service cost	-	3.55	3.55	-	12.46	12.46
Past service cost	-	(7.01)	(7.01)	-	(8.59)	(8.59)
Interest cost	-	5.90	5.90	-	10.53	10.53
Interest income	1.38	-	(1.38)	3.00	-	(3.00)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	(1.55)	(1.55)	-	(0.36)	(0.36)
Actuarial (gain)/loss arising from changes in financial assumptions	0.29	8.32	8.61	(0.01)	7.32	7.31
Actuarial (gain)/loss arising from experience adjustments	-	9.52	9.52	-	(11.13)	(11.13)
Employer contributions	9.31	-	(9.31)	79.16	-	(79.16)
Employee contributions	-	-	-	-	-	-
Assets acquired/ (settled)	-	-	-	-	-	-
Benefit payments	(9.09)	(9.09)	-	(78.45)	(78.45)	-
As at 31st December, 2020	21.24	97.00	75.76	47.15	95.16	48.01
As at 1 January, 2021	21.24	97.00	75.76	47.15	95.16	48.01
Current service cost	-	3.34	3.34	-	6.38	6.38
Past service cost	-	13.27	13.27	-	-	-
Interest cost	-	5.14	5.14	-	4.94	4.94
Interest income	1.17	-	(1.17)	2.59	-	(2.59)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(0.18)	(2.51)	(2.69)	(0.02)	(2.93)	(2.95)
Actuarial (gain)/loss arising from experience adjustments	-	15.88	15.88	-	4.56	4.56
Employer contributions	-	-	-	3.82	-	(3.82)
Employee contributions	-	-	-	-	-	-
Assets acquired/ (settled)	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-
Benefit payments	(0.66)	(0.66)	-	(6.85)	(6.85)	-
As at 31st December, 2021	21.57	131.46	109.89	46.69	101.26	54.57

38. Employee Benefits (contd...)

C. Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

in Rupees million	Pension		Gratuity	
	2021	2020	2021	2020
Employee Benefit Expenses :				
Current service cost	3.34	3.55	6.38	12.46
Past service cost	13.27	(7.01)	-	(8.59)
Finance costs :				
Interest cost	5.14	5.90	4.94	10.53
Interest income	(1.17)	(1.38)	(2.59)	(3.00)
Net impact on profit (before tax)	20.58	1.06	8.73	11.40
Remeasurement of the net defined benefit plans:				
Actuarial (gain)/loss arising from changes in demographic assumptions	-	(1.55)	-	(0.36)
Actuarial (gain)/loss arising from changes in financial assumptions	(2.68)	8.61	(2.95)	7.31
Actuarial (gain)/loss arising from experience adjustments	15.88	9.52	4.56	(11.13)
Net impact on other comprehensive income (before tax)	13.20	16.58	1.61	(4.18)

The pension expense and gratutity expense have been recognised in Contribution to Provident and Other Funds in Note no 29.

D. Assets

The fair value of plan assets at the Balance Sheet date for the defined benefit plans for each category are as follows:

in Rupees million	Pension		Gratuity	
	2021	2020	2021	2020
Quoted				
Government debt instruments	-	-	-	-
Other debt instruments	-	-	-	-
Total (A)	-	-	-	-
Unquoted				
Cash including special deposits	-	-	-	-
Others (Including assets under Scheme of Insurance)	21.57	21.24	46.69	47.15
Total (B)	**21.57**	**21.24**	**46.69**	**47.15**
Total (A+B)	**21.57**	**21.24**	**46.69**	**47.15**

None of the plans invest directly in any property occupied by the Company or any financial securities issued by the Company.

E. Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

	Pension		Gratuity	
	2021	2020	2021	2020
Financial Assumptions				
Discount rate (per annum)	6.00%	5.50%	6.00%	5.50%
Salary escalation rate (per annum)	8.00%	8.00%	8.00%	8.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

38. Employee Benefits (contd)

Demographic Assumptions

Mortality in Service: Indian Assured Lives Mortality (2006-08) Ultimate table.

F. Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the key assumptions are:

		Pension		Gratuity	
		Change in assumption (%)	Change in Plan Obligation	Change in assumption (%)	Change in Plan Obligation
Discount rate (per annum)	Increase	0.5	(2.40)	0.5	(2.77)
	Decrease	0.5	2.51	0.5	2.93
Salary escalation rate (per annum)	Increase	0.5	2.45	0.5	2.32
	Decrease	0.5	(2.37)	0.5	(2.26)

The sensitivity analysis above have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

G. Weighted average duration and expected employers contribution for each of the defined benefit plan

	Weighted average duration (yrs.)		Expected Employers Contribution for the next year
	2021	2020	
Gratuity	4-7	5-7	13.01
Pension	4	5	34.57

H. Expected Benefit Payments

	Pension	Gratuity
31 December 2022	34.57	13.01
31 December 2023	18.90	14.17
31 December 2024	15.35	11.37
31 December 2025	14.69	12.68
31 December 2026	15.79	14.33
31 December 2027 to 31 December 2031	55.90	60.09

38. Employee Benefits (contd...)

Post Retirement Medical Benefits

The following table sets out the amounts recognised in the financial statements in respect of post retirement medical benefits and other defined benefit plans.

A. Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans (unfunded) at the Balance Sheet date were:

in Rupees million	2021	2020
Present value of obligation	167.53	164.84
Liability recognised in the Balance Sheet (Refer note 20)		
Retirement benefits obligations		
Current	14.09	14.43
Non Current	153.44	150.41

B. Movements in Present Value of Obligation and Fair Value of Plan Assets

in Rupees million	2021	2020
Change in defined benefit obligation:		
Obligation at the beginning of the year	164.84	152.11
Current service cost	-	-
Past Service cost	-	-
Interest cost	8.67	9.99
Remeasurement (gain)/loss	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	19.51	-
Actuarial (gain)/loss arising from changes in financial assumptions	(7.87)	18.31
Actuarial (gain)/loss arising from experience adjustments	(7.90)	(4.55)
Benefits paid	(9.72)	(11.03)
Obligation at the end of the year	167.53	164.84

C. Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:	2021	2020
Employee Benefit Expenses:		
Current service cost	-	-
Past service cost	-	-
Finance costs :		
Interest cost	8.67	9.99
Net impact on profit (before tax)	8.67	9.99
Remeasurement of the net defined benefit plans:		
Actuarial (gain)/loss arising from changes in demographic assumptions	19.51	-
Actuarial (gain)/loss arising from changes in financial assumptions	(7.87)	18.31
Actuarial (gain)/loss arising from experience adjustments	(7.90)	(4.55)
Net impact on other comprehensive income (before tax)	3.74	13.76

The post retirement medical benefit expenses have been recognised in Workmen and staff welfare expenses in Note 29.

38. Employee Benefits (contd)

D. Assumptions

With the objective of presenting the plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Financial Assumptions	2021	2020
Discount rate (per annum)	6.00%	5.50%
Medical Inflation rate (per annum)	8.00%	8.00%
Demographic Assumptions		
Mortality in Service: LIC Annuitants (1996-98) Ultimate		

E. Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:	Change in assumption (%)	Change in Plan Obligation (%)
Discount rate (per annum)		
Increase	0.5%	(7.26)
Decrease	0.5%	7.87
Medical Inflation rate (per annum)		
Increase	0.5%	-
Decrease	0.5%	-

The sensitivity analysis above have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

F. Weighted average duration and expected employers contribution

	Weighted average duration (yrs.)		Expected Employers Contribution for the next year
	2021	2020	
Post retirement medical benefit	9	9	NA

G. Expected Benefit Payments

in Rupees million	
31 December 2022	14.09
31 December 2023	13.98
31 December 2024	13.84
31 December 2025	13.69
31 December 2026	13.51
31 December 2027 to 31 December 2031	64.15

39. Information in accordance with the requirements of the Ind AS 115 on Revenue from Contract with Customers

(i) Movement in Contract balances

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Gross amount due from customers for contracts in progress	3,092.98	2,345.08
Gross amount due to customers for contracts in progress	1,835.44	1,085.25
Net Contract Balance	1,257.54	1,259.83

(ii) Revenue recognised during the year from opening balance of contract liabilities amounts to **Rs 386.67 million** (31 Dec 2020: Rs 527.30 million).

(iii) Revenue recognised during the year from the performance obligation satisfied in previous year (arising out of contract modifications) amounts to **Rs 91.32 million** (31 Dec 2020: Rs 109.92 million).

(iv) Reconciliation of contracted price with revenue during the year

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Opening contracted price of orders as at 1 January	10,547.38	6,497.14
Increase due to additional consideration recognised as per contractual terms	369.45	126.10
Fresh orders/change orders received (net)	4,876.08	6,680.29
Total Revenue recognised during the year	4,601.52	2,756.15
Closing contracted price of orders as at 31 December	11,191.39	10,547.38

40. Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and long term and short term bank borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents.
The Company does not have any debt as at the reporting date and hence debt to equity ratio is Nil

41. Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 (u).

a) Category-wise classification of Financial instruments

The carrying value and fair values of financial instruments by class are as follows:

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
FINANCIAL ASSETS		
Financial assets measured at fair value through other comprehensive income		
Investments in equity instruments	93.18	36.73
Financial assets measured at amortised cost		
Cash and bank balances	9,879.73	3,258.58
Trade receivables	3,958.57	4,072.12
Other financial assets	461.42	510.61
	14,392.90	7,878.04
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost		
Lease liabilities	242.93	69.03
Trade payables	5,877.58	4,515.75
Other financial liabilities	570.85	609.82
	6,691.36	5,194.60

b) Fair value measurements

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

a) Level 1: Quoted prices for identical instruments in an active market -

This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

b) Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs -

This level of hierarchy includes financial assets and liabilities, measured using inputs other than the quoted prices included within level 1 that are observables for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company's derivative contracts.

c) Level 3: Inputs which are not based on observable market data -

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor they are based on available market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

As at 31st December 2021	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Investment in equity shares	93.18	-	-	93.18

As at 31st December 2020	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value				
Investment in equity shares	36.74	-	-	36.74

i) The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.

ii) The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.

iii) The Company assessed that cash and bank balances, trade receivables, trade payables, short term borrowings and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

iv) Fair value of borrowings which have a quoted market price in an active market is based on its market price which is categorised as level 1. Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorised as level 2 in the fair value hierarchy.

v) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

vi) There have been no transfers between Level 1, level 2 and Level 3 for the years ended 31 December 2021 and 31 December 2020.

c) Derivative financial instruments

Derivative instruments used by the Company include forward exchange contracts and currency swaps. These financial instruments are utilised to hedge future transactions and cash flows and are subject to hedge accounting under Ind AS 109 " Financial Instruments" to the extent possible. The Company does not hold or issue derivative financial instruments for trading purpose. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

The fair value of derivatives held by the Company as at the end of each reporting period is NIL.

42. Financial Risk Management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(i) Market risk:

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

a) Market risk - Foreign currency exchange rate risk:

The Company enter into sale and purchase transactions and borrowings denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Company manages the risk from currency exposures for all major items through hedging mechansism primarily by use of forward exchange contracts.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period, not hedged by derivative instruments, are as follows:

in Rupees million	Monetary assets		Monetary liabilities	
	As at 31 Dec 2021	As at 31 Dec 2020	As at 31 Dec 2021	As at 31 Dec 2020
US Dollar in India	56.83	76.56	58.40	158.18
Euro in India	0.92	26.47	244.49	364.24
GBP in India	-	-	18.30	23.83
AUD in India	-	-	0.00	1.15
SGD in India	0.50	-	137.16	26.20
JPY in India	-	-	2.91	3.18
BDT in India	-	-	1.32	0.18
THB in India	-	-	0.00	0.00

A 10% appreciation/depreciation of the foreign currencies with respect to functional currency of the Company would result in an decrease/increase in the Company's net profit before tax by approximately **Rs.40.43 million** for the year ended 31 December 2021 (31 Dec 2020 : Rs.47.39 million).

b) Market risk - Interest rate risk:

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Interest rate risk for the company is primarily mitigated by hedging through interest rate swaps which ensures fixed interest rate for the borrowed amount.

Interest rate sensitivity analysis

The company manages its interest rate risk by entering into interest rate swap contracts to swap floating interest rates for fixed interest rates over the duration of its borrowings for all its foreign currency long term loans. As at 31 December 2021, no foreign currency loans was outstanding during the year whereas as at 31 December 2020, all foreign currency loans has been repaid during the year.

The sensitivity analysis given below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Profit for the year ended 31 December 2021 would increase/decrease by **Nil** (31 Dec 2020 Rs. Nil).

42. Financial Risk Management (Contd...)

Interest rate SWAP contracts

The company enters interest rate swaps to hedge interest rate risks. Under the interest rate swap contracts, the company exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the company to mitigate the risk of changing interest rates on the fair value of fixed rate debt.

There were no open interest rate swap contracts at the end of the reporting periods.

ii) Counter-party credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Financial instruments that are subject to concentrations of credit risk, principally consist of trade receivables, finance receivables, loans and advances and derivative financial instruments. Company regularly reviews the credit limits of the customers and takes action to reduce the risk. Further diverse and large customer bases also reduces the risk. All trade receivables are reviewed and assessed for default on quarterly basis.

The credit risk on bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings.

iii) Liquidity risk:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks and inter-company borrowing. The Company invests its surplus funds in bank fixed deposits, which carry no or low market risk. The Company's liquidity position remains strong at **Rs. 9,879.73 million** as at 31 December 2021 (31 December 2020 : Rs. 3,258.58 million), comprising of cash and cash equivalents and other balances with banks (including earmarked balances).

The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

in Rupees million	Carrying Amount	Undiscounted amount payable			Total
		within 1 year	Between 1 to 5 years	More than 5 years	
As at 31st December 2021					
Non-derivative liabilities					
Lease liabilities	242.93	33.13	130.65	261.39	425.17
Trade payables	5,877.58	5,877.58	-	-	5,877.58
Security deposits	118.83	118.83	-	-	118.83
Unpaid dividend	5.57	5.57	-	-	5.57
Other Payables	203.53	203.53	-	-	203.53
As at 31st December 2020					
Non-derivative liabilities					
Lease liabilities	69.03	16.52	62.34	9.58	88.44
Trade payables	4,515.75	4,515.75	-	-	4,515.75
Security deposits	106.91	106.91	-	-	106.91
Unpaid dividend	5.55	5.55	-	-	5.55
Other Payables	428.34	428.34	-	-	428.34

43. Segment information

a) **Products and services from which reportable segments derive their revenues:**

Information reported to the Chief Operating Decision Maker (CODM) for the puspose of resource allocation and assessment of segment performance is based on product and services. Accordingly, management of the company has chosen to organise the segment based on its products and services as follows:

- Gases and Related Products
- Project Engineering

The company's chief operating decision maker is the Managing Director.

Segment revenue, results, assets and liabilities include the respective amounts that are directly attributable to or can be allocated on a reasonable basis to each of the segments. Revenue, expenses, assets and liabilities which relate to the enterprise as a whole and are neither attributable to nor can be allocated on a reasonable basis to each of the segments, have been disclosed as unallocable.

The company's financing and income taxes are managed on a company level and are not allocated to operating segments.

Inter-segment revenue has been recognised at cost.

b) Information about business segment

in Rupees million		As at 31 Dec 2021			As at 31 Dec 2020	
		Gases and Related Products	Project Engineering	Total	Gases and Related Products	Project Engineering	Total
1	**Segment revenue**						
	External revenue	16,606.49	4,508.89	21,115.38	11,995.53	2,710.45	14,705.98
	- India	16,444.40	4,480.58		11,895.55	2,312.41	
	- Outside India	162.09	28.31		99.98	398.04	
	Interest income	4.20	-	4.20	5.26	-	5.26
	Total external revenue (A)	16,610.69	4,508.89	21,119.58	12,000.79	2,710.45	14,711.24
	Inter segment revenue (B)	-	69.85	69.85	-	144.50	144.50
	Total segment revenue (A) + (B)	**16,610.69**	**4,578.74**	**21,189.43**	**12,000.79**	**2,854.95**	**14,855.74**
	Less: Inter segment elimination			(69.85)			(144.50)
	Total revenue			**21,119.58**			**14,711.24**
2	**Segment results**	**3,871.15**	**484.60**	**4,355.75**	**2,152.91**	**387.31**	**2,540.22**
	Finance cost - unallocable			(30.54)			(62.43)
	Other unallocable expenses			(156.91)			(225.37)
	Share of profit from Joint venture			56.18			17.04
	Profit before tax and exceptional item			**4,224.48**			**2,269.46**
	Exceptional item			2,754.52			17.11
	Profit before tax			**6,979.00**			**2,286.57**
	Less: Tax expense			1,906.82			775.58
	Profit after tax			**5,072.18**			**1,510.99**
3	**Segment assets**	24,592.61	4,173.25	28,765.86	25,466.53	2,716.94	28,183.47
	Unallocated assets			11,400.24			4,677.39
	Total assets			**40,166.10**			**32,860.86**
4	**Segment liabilities**	6,256.94	3,143.55	9,400.49	5,666.77	1,691.66	7,358.43
	Unallocable liabilities			3,616.76			3,159.34
	Total liabilities			**13,017.25**			**10,517.77**

c) Other segment information

in Rupees million	Year ended 31 Dec 2021			Year ended 31 Dec 2020		
	Gases and Related Products	Project Engineering	Unallocable	Gases and Related Products	Project Engineering	Unallocable
Depreciation and amortisation	1,780.62	8.04	25.01	1,713.89	6.49	39.62
Addition to fixed assets (net of disposal)	412.73	9.20	1.19	1,026.91	5.34	18.91

d) Revenue from major products

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
(i) Gases and Related Products		
Air separation unit gases	15,640.41	11,332.43
Other cylinder gases	808.44	534.36
Others	157.64	128.74
(ii) Project Engineering		
Construction contracts	4,508.89	2,710.45
	21,115.38	14,705.98

The Company operates predominantly within the geographical limits of India. In the company's operations within India, there is no significant difference in the economic condition prevailing in the various states of India. Revenue from sales to customers outside India is less than 10% in the current and previous year. Hence, disclosures on geographical segments are not applicable.

e) Information about major customers

Included in the revenue arising from direct sales of products and services of **Rs. 21,115.38 million** (31 Dec 2020: Rs. 14,705.98 million) are revenues of approximately Rs. **5,468.21 million** (31 Dec 2020: Rs. 3,450.97 million) which arose from the sale to company's top two customers. No other single customer contributed 10% or more of the company's revenue for both 2021 and 2020.

Notes:

i) Segment performance is reviewed by the CODM on the basis of profit or loss from continuing operations before other income and finance cost and tax expenses. Segment results reviewed by CODM also excludes income or expenses which are non recuring in nature or classified as exceptional.

ii) The accounting policies of the reportable segments are same as of the companies accouting policies (Refer Note 2)

44. Information on Related Party Disclosure

A) List of Related Parties

i) Ultimate Holding Company

Linde Public Limited Company, Ireland

ii) Intermediate Holding Company

Linde GmbH (Formerly Linde AG, Germany)

iii) Holding Company (entity having control over the Company)

The BOC Group Limited, United Kingdom (Wholly owned Subsidiary of Linde GmbH)

iv) Fellow Subsidiaries and Joint Venture with whom transactions have taken place during the year

(a) Located outside India

Fellow Subsidiary	Country
Linde Bangladesh Limited	Bangladesh
Linde Engineering (Dalian) Co. Ltd.	China
Linde Kryotechnik AG	Switzerland
Cryostar SAS	France
PT. Linde Indonesia	Indonesia
Praxair Korea Company Limited	Korea
Linde Malaysia Sdn. Bhd.	Malaysia
Linde Business Solution Center Philippines INC	Philippines
Linde Philippines Inc	Philippines
Linde Gas Singapore Pte Limited	Singapore
Linde Gas Asia Pte Limited	Singapore
Ceylon Oxygen Limited	Srilanka
BOC Limited - ENG (Gases)	United Kingdom
Linde Cryoplants Limited	United Kingdom
Linde (Thailand) Public Company Limited	Thailand
Linde Gas Vietnam Limited	Vietnam
Linde Gas North America LLC E&S Gas	United States of America
Praxair Asia INC	China
Praxair, Inc (formerly Linde Global Helium)	United States of America
PU Linde LLC	United States of America
Linde EOX SDN. BHD.	Malaysia
Linde Gas & Equipment Inc. (formerly Praxair Distribution, Inc.)	Bethlehem

(b) Located in India

Fellow Subsidiary
Linde Global Support Services Private Limited
Linde Engineering India Private Limited
Praxair India Private Limited
Joint Venture
Bellary Oxygen Company Private Limited
Linde South Asia Services Private Limited (Formerly LSAS Services Private Limited)

v) Employee Funds

Linde India Limited Executive Staff Pension Fund
Linde India Limited Executive Staff Gratuity Fund
Linde India Limited Graded Staff Pension Fund
Linde India Limited Non Executive Staff Gratuity Fund

vi) Key Management Personnel of the Company

Mr. A Banerjee, Managing Director
Mr. A Saraf, Chief Financial Officer
Mr. P Marda, Director - Corporate Affairs & Company Secretary

B) Transactions with Related Parties during the year

Nature of Transaction	Ultimate Holding Company	Intermediate Holding Company	Holding Company	Fellow Subsidiaries	Joint Venture	Employee Funds	Key Management Personnel
Purchase of Goods - Gases,	-	97.08	-	1,902.00	81.14	-	-
Equipment/Spares	-	(15.53)	-	(1,133.71)	(76.79)	-	-
Purchase of Fixed Assets /	-	13.99	-	46.06	-	-	-
Capital Spares	-	(13.95)	-	(9.13)	-	-	-
Support Services - Engineering	-	153.33	464.29	170.23	1,086.78	-	-
Assistance, IS Charges, Business	-	(163.94)	(251.71)	(80.10)	(352.71)	-	-
Support & Technical Assistance							
Service Charges Received -	-	-	-	9.14	-	-	-
Facility Fees Income	-	-	-	(8.31)	-	-	-
Sale of Goods/Spares/Services &	-	159.05	-	3,290.92	14.18	-	-
Revenue from Construction Contract	-	(4.55)	-	(1,190.80)	(19.49)	-	-
Sale of Fixed Assets	-	-	-	50.98	-	-	-
	-	-	-	(-)	-	-	-
Recovery of Personnel Cost	-	-	-	31.16	8.82	-	-
	(5.64)	-	-	(39.70)	(8.18)	-	-
Rental Income	-	-	-	18.96	-	-	-
	-	-	-	(18.96)	-	-	-
Managerial Remuneration	-	-	-	-	-	-	38.49
	-	-	-	-	-	-	(32.44)
Purchase of Shares	-	-	-	-	-	-	
	-	-	-	-	(20.00)	-	
Dividend Paid	-	-	191.89	-	-	-	-
	-	-	(639.63)	-	-	-	-
Dividend Received	-	-	-	-	216.75	-	-
	-	-	-	-	(145.50)	-	-
Contribution to Funds	-	-	-	-	-	3.82	
	-	-	-	-	-	(86.34)	-
Outstanding balances:							
- Receivables	-	0.56	3.95	879.85	-	-	-
	(5.64)	(4.80)	(20.78)	(521.72)	(15.74)	-	-
- Payables	-	206.11	370.45	910.70	208.86	-	-
	-	(261.22)	(205.34)	(668.54)	(114.39)	-	-
- Advance to Vendors & KMP/	-	61.55	-	140.18	20.00	-	-
Capital Advances / Investments	-	(3.03)	(10.86)	(20.42)	(20.00)	-	(0.18)
- Advance from Customer	-	106.72	-	14.64	-	-	-
	-	(-)	-	(-)	-	-	-

Note: The figures in brackets pertains to previous year.

C) Disclosure of material transactions between Company and Related Parties during the year included in Fellow Subsidiary:
Nature of Transaction

in Rupees million	Year ended 31 Dec 2021	Year ended 31 Dec 2020
Purchase of Goods - Gases, Equipment/Spares		
Praxair India Private Limited	939.02	548.29
Praxair, Inc (formerly Linde Global Helium)	723.72	476.65
Purchase of Fixed Assets / Capital Spares		
Praxair India Private Limited	29.23	-
Praxair, Inc (formerly Linde Global Helium)	4.89	-
Linde Engineering India Private Limited	8.29	5.77
Support Services - Engineering Assistance, IS Charges, Business Support & Technical Assistance		
Linde Gas Asia Pte Limited	139.58	-
Linde Business Solutions Center Philippines INC	17.75	24.26
Service Charges Received -Facility Fees Income		
Linde Global Support Services Pvt. Ltd.	9.14	8.31
Sale of Goods/Spares/Services & Revenue from Construction Contract		
Praxair India Private Limited	3,083.65	1,073.32
Sale of Fixed Assets		
Praxair India Private Limited	50.98	-
Recovery of Personnel Cost		
Linde Global Support Services Pvt. Ltd.	3.18	2.76
Linde Gas Asia Pte Limited	7.60	11.31
PT. Linde Indonesia	3.62	0.57
Linde Philippines, INC.	4.80	6.74
Linde Malaysia Sdn. Bhd.	3.27	3.84
Linde (Thailand) Public Company Limited	3.97	3.09
Praxair India Private Limited	3.41	3.02
Rental Income		
Linde Global Support Services Pvt. Ltd.	18.96	18.96

45. Leases

I. As a Lessor (IND AS 116)

The following is the summary of future minimum lease rental payments under non-cancellable operating leases and finance leases entered into by the Company.

A. Operating leases as a lessor:

Significant leasing arrangements include lease of plant and machinery dedicated for use under long term arrangements for periods ranging between 12 to 20 years with renewal option. Receivable under long term arrangements involving use of dedicated assets are allocated between those relating to the right to use of assets on contractual terms and conditions. Any change in the allocation assumptions may have an impact on the lease assessment and/or lease classification.

Future minimum lease payments under non-cancellable operating leases are as below:

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Future minimum lease payments		
not later than one year	876.87	881.87
later than one year and not later than five years	3,454.98	3,475.98
later than five years	6,086.76	6,942.63
	10,418.61	11,300.48

B. Finance leases as a lessor:

Certain plant and machinery has been made available by the Company to the customers under a finance lease arrangement. The arrangements covers a substantial part of the economic life of the underlying asset and contain a renewal option on expiry. Receivables under long term arrangements involving use of dedicated assets are based on the underlying contractual terms and conditions. Any change in the assumptions may have an impact on lease assessment and/or lease classification.

Such assets given under the lease arrangement have been recognised, at the inception of the lease as a receivable at an amount equal to the net investment in the lease. The finance income arising from the lease is being allocated based on a pattern reflecting constant periodic return on the net investment in the lease. The income arising on account of finance lease arrangement is Rs 4.19 million.

The minimum lease receivable and the present value of minimum lease receivables in respect of arrangements classified as finance leases are as below:

in Rupees million	As at 31st Dec 2021		As at 31st Dec 2020	
	Minimum Lease payments	Present value of minimum lease payments	Minimum Lease payments	Present value of minimum lease payments
Not later than one year	7.68	1.50	7.68	1.50
Later than one year and not later than five years	13.44	2.67	21.12	2.67
Later than five years	-	-	-	-
Total future minimum lease committements	**21.12**	**4.17**	**28.80**	**4.17**
Less: Unearned finance income	5.82		10.01	
Present value of minimum lease payments receivable	**15.30**		**18.79**	
Disclosed as:				
Other financial asset - finance lease receivable (refer note 9)				
Non-Current	10.86		15.30	
Current	4.44		3.49	
	15.30		18.79	

45. Leases (continued...)

II. As a Lessee (IND AS 116)

1 Changes in the carrying value of right of use assets for the year ended 31 December, 2021

in Rupees million	Land	Buildings	Plant and Equipment	
Balance as at 01-01-2021	166.36	32.15	5.29	203.80
Additions during the year	-	-	184.22	184.22
Deletion during the year	-	-	-	-
Depreciation	4.72	6.99	3.11	14.82
Balance as at 31-12-2021	**161.64**	**25.16**	**186.40**	**373.20**

2 The following is the break-up of current and non-current lease liabilities

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Current Lease Liability	12.56	10.08
Non Current Lease Liability	230.37	58.95
Total Lease Liability	**242.93**	**69.03**

3 The following is the movement in lease liabilities

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Opening Balance	69.03	115.46
Additions during the year	184.22	-
Finance cost during the period	7.69	6.46
Deletions	-	31.72
Payment of lease liabilities	18.01	21.17
Closing Balance	**242.93**	**69.03**

4 Contractual maturities of lease liabilities on an undiscounted basis:

in Rupees million	As at 31 Dec 2021	As at 31 Dec 2020
Less than one year	33.13	16.52
One to five years	130.65	62.34
More than five years	261.39	9.58

5 Nature of lessee’s leasing activities

Right-of-Use assets majorly comprises Land, Buildings and Plant and Equipment.

6 There are no such identified probable future cash outflows to which the entity is exposed that are not reflected in the measurement of lease liabilities.

46. Interest in Joint Venture

a) Details of the Company's material joint venture at the end of the reporting period are as follows:

Name of the Joint Venture	Principal Activity	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the Group As at 31 Dec 2021	As at 31 Dec 2020	Quoted (Y/N)
Bellary Oxygen Company Private Limited (Belloxy)	Production and sale of air gases	Karnataka, Bellary	50%	50%	N
Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Private Limited)	Management services	Karnataka, Banagalore	50%	50%	N

b) Summary of financial information

in Rupees million	Belloxy Oxygen India Private Limited		Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Private Limited)	
	As at 31 Dec 2021	As at 31 Dec 2020	As at 31 Dec 2021	As at 31 Dec 2020
Current Assets	466.20	355.67	536.93	171.06
Non Current Assets	-	704.74	218.50	12.88
Current Liabilities	33.03	128.68	433.37	104.53
Non Current Liabilities	-	119.08	136.53	6.23
Equity	433.17	812.66	185.53	73.18
Revenue	443.45	501.17	2,039.13	683.49
Expenses	394.18	399.28	1,888.99	637.93
Profit before tax for the year	**49.27**	**101.89**	**150.14**	**45.56**
Tax Expense	8.75	26.89	37.78	11.48
Profit after tax for the year	**40.52**	**75.00**	**112.36**	**34.08**
Profit attributable to the owners of the Company	20.26	37.50	56.18	17.04
Profit attributable to the non controlling interest	20.26	37.50	56.18	17.04
Profit for the year	**40.52**	**75.00**	**112.36**	**34.08**
Other Comprehensive Income attributable to the owners of the Company	-	-	-	(0.92)
Other Comprehensive Income Profit / (Loss) attributable to the non controlling interest	-	-	-	-
Other Comprehensive Income	-	-	-	(0.92)
Total Other Comprehensive Income attributable to the owners of the Company	-	-	-	(0.46)
Total Other Comprehensive Income Profit / (Loss) attributable to the non controlling interest	-	-	-	(0.46)
Total Other Comprehensive Income	**40.52**	**75.00**	**112.36**	**33.16**
Dividends paid to non controlling interest	-	-	-	-
Net Cash Flow from operating activities	258.71	271.61	146.15	(37.76)
Net Cash Flow from investing activities	472.60	11.30	(25.35)	-
Net Cash Flow from financing activities	(420.00)	(335.92)	-	40.00
Net Cash inflow/(outflow)	**311.31**	**(53.01)**	**120.80**	**2.24**

c) Company's transaction with Bellary Oxygen Company Private Limited and Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Private Limited), being a related party during the year are disclosed under note 44

d) The above investment in Bellary Oxygen Company Private Limited is part of assets classified as held for sale in 2018. Refer Note 16

e) The Belloxy financial statements have not been prepared on a going concern basis as on 31st December 2021.

47. Details of net asset and share of profit of individual entity in the consolidated net assets and consolidated share of profit

Name of the entity	Net assets		Share of profit	
	As % of consolidated net assets	Amount	As % of consolidated net profit	Amount
As at 31 Dec 2021				
A. Parent				
Linde India Limited	99%	26,910.22	101%	5,139.44
B. Jointly controlled entity				
Bellary Oxygen Company Private Limited	1%	216.59	-2%	(123.44)
Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Private Limited)	0%	92.77	1%	56.18
Adjustment due to consolidation*	0%	(70.73)	0%	-
Consolidated Net Assets/ Profit after tax	100%	27,148.85	100%	5,072.18

Name of the entity	Net assets		Share of profit	
	As % of consolidated net assets	Amount	As % of consolidated net profit	Amount
As at 31 Dec 2020				
A. Parent				
Linde India Limited	99%	22,037.20	103%	1,555.35
B. Jointly controlled entity				
Bellary Oxygen Company Private Limited	2%	406.33	-4%	(61.40)
Linde South Asia Services Pvt. Ltd. (formerly known as LSAS Services Private Limited)	0%	36.59	1%	17.04
Adjustment due to consolidation*	-1%	(137.03)	0%	0.00
Consolidated Net Assets/ Profit after tax	100%	22,343.09	100%	1,510.99

*Refers share of profit after the date, Investment in Bellary Oxygen Company Private Limited has been classified as assets held for sale. (Refer Note 16)

48. Business acquisition

During the year, the Company has acquired from HPS Gases Ltd., Vadodara its entire packaged gases business along with certain distribution assets with effect from 1 November 2021 for an aggregate cash consideration of Rs.275 million. As part of this acquisition, Linde India will also supply liquid products to HPS Gases Ltd. and purchase gases in packaged and mini bulk from HPS Gases Ltd. The aforesaid acquisition will help expand Linde's presence in Packaged Gas and Micro Bulk market in Western India.

49. Dividends

The dividends declared by the Company are based on the profits available for distribution as reported in the financial statements of the Company. On 24 February 2022, the Board of Directors of the Company have proposed a dividend of Rs. 13.50 per share including a special dividend of Rs. 10.00 per share in respect of the year ended 31 December 2021, subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of Rs. 1,151.34 million.

50. The financial statements were approved for issue by the Board of Directors on 24 February 2022.

For and on behalf of Board of Directors of

Linde India Limited
CIN: L40200WB1935PLC008184

R HUGHES, Chairman DIN : 08493540
J MEHTA, Director DIN : 00033518
A BANERJEE, Managing Director DIN : 08456907

A SARAF, Chief Financial Officer ACA: 060828
P MARDA, Director - Corporate Affairs & Company Secretary, ACS: 8625

Kolkata, 24 February, 2022

Independent Auditor's Report.

To the Members of Linde India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Linde India Limited ("the Parent") which includes the Parent's share of profit in its joint ventures, which comprise the Consolidated Balance Sheet as at 31 December 2021, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information .

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Parent as at 31 December 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Revenue Recognition - Appropriateness of estimation of contract cost & revenue recognition in PED Business of the Parent company Revenue from the contracts entered by the Project Engineering Division (PED) of the parent company is recognized over a period in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers. Due to the nature of the contracts, revenue recognition involves usage of percentage of completion method which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs, which involves significant judgments, identification of contractual obligations and the Company's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price. Accuracy of revenues and profit/loss may deviate significantly on account of change in judgements and estimates. For this reason, we have identified estimates involved in the revenue recognition and budgeted costs for Project Engineering Division as Key Audit Matter Refer to the Accounting Policy para 2(f), Notes 24 and 39 to the Consolidated Financial Statements.	Principal audit procedures: Our audit approach was a combination of test of internal controls and substantive procedures including: • Obtained an understanding of the management's evaluation process to recognize revenue over a period of time, the status of completion for projects and total cost estimates. • Identified and tested the controls related to revenue recognition, focusing on the determination of percentage of completion, recording of costs incurred and estimation of costs to complete the remaining contract obligations through inspection of evidence of performance of these controls; • Tested selected contracts on sample basis for appropriateness of revenue recognition including budgeted cost as well as the percentage of completion for construction works as it requires management's estimates on the basis of progress of the projects; • Evaluated management's estimates of the impact to revenue and budgeted costs arising from scope changes made to the original contracts, claims, disputes and liquidation damages with reference to supporting documents including variation orders and correspondence between the Company and the customers; • Tested on sample basis the actual costs incurred on construction works during the reporting period; • Recomputed the percentage of completion based on the latest budgeted final costs and the total actual costs incurred and the revenue recognized based on the percentage of completion; • Evaluated the adequacy of the related disclosures in the standalone Ind AS financial statements as required by the relevant accounting standard.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- 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.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Parent including its joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the Parent and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Parent and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Parent and its joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Parent and its joint ventures are also responsible for overseeing the financial reporting process of the Parent and of its joint ventures.

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

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

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Parent and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Parent and its joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Parent and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such business activities included in the consolidated financial statements of which we are the independent auditors.

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

We communicate with those charged with governance of the Parent Company included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

The consolidated financial statements also include the Parent's share of net profit of Rs. 56.18 Million for the year ended 31 December 2021, as considered in the consolidated financial statements, in respect of two joint ventures, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the joint ventures, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Parent.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

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

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

e) On the basis of the written representations received from the directors of the Parent Company as on 31 December 2021 taken on record by the Board of Directors of the Company, none of the directors of the Parent company is disqualified as on 31 December, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Parent and its joint ventures;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)
Abhijit Bandyopadhyay, *Partner*
(Membership No. 054785)
(UDIN: 22054785ADMSNW5543)

Place: Kolkata
Date:24 February 2022

Annexure "A" to the Independent Auditor's Report.

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

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 December 2021, we have audited the internal financial controls over financial reporting of Linde India Limited (hereinafter referred to as "the "Parent") and its joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its joint ventures, which are companies incorporated in India.

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 to the best of our information and according to the explanations given to us, the Parent and its joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 December 2021, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)
Abhijit Bandyopadhyay, *Partner*
(Membership No. 054785)
(UDIN: 22054785ADMSNW5543)

Place: Kolkata
Date:24 February 2022

Annexure "B" to the Independent Auditor's Report.

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

(i) (a) |The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Asset.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(ii) As explained to us, inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and had no unclaimed deposits at the beginning of the year as per the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.

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

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, cess and other material statutory dues in arrears as at 31 December, 2021 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on 31 December, 2021 on account of disputes are given below.

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period for which the Amount Relates	Amount Net of Payment (Rs. in million)	Amount Paid under protest (Rs. in million)
Central State Sales Tax Act and VAT Acts	Sales tax /VAT	Adjudicating Authority	2000-2016	59.02	11.93
		JC Appeal	2000-2018	300.14	93.30
		Tribunal	1995-2017	303.20	170.87
		Revisional Board	1998-2012	32.71	12.30
		DC Appeal	2015-2018	83.23	22.69
		High Court	2005-2006	55.06	25.64
Central Excise Act, 1944	Excise Duty	Adjudicating Authority	1996-2017	70.35	1.96
		First Appellate Authority	2014-2015	10.58	0.61
		Tribunal	1991-2017	326.61	18.79
		High Court	1998-2009	4.96	2.50
Finance Act, 1944	Service Tax	Adjudicating Authority	2004-2017	5.16	0.22
		First Appellate Authority	2005-2010	0.13	-
		Tribunal	2007-2015	828.71	19.13

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors, or directors of its holding, joint venture company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)
Abhijit Bandyopadhyay, *Partner*
(Membership No. 054785)
(UDIN: 22054785ADMSNW5543)

Place: Kolkata
Date:24 February 2022

Ten-year Financial Data.

Ten-Year Financial Data

in Rupees million	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Sales : Home	12,577.2	14,260.9	15,700.5	16,747.4	19,285.6	20,336.2	21,375.9	17,147.1	14,208.0	20,925.0
Export	1,425.8	771.1	242.1	150.7	490.4	802.5	533.3	465.9	498.0	190.4
Profit before Tax										
and Exceptional Item	536.4	663.4	35.8	100.6	102.1	216.6	471.7	1,721.5	2,252.4	4,168.3
Tax	164.6	317.3	-18.2	-196.1	-32.0	-8.8	136.8	559.2	782.6	1,287.2
Profit after Tax,										
before Exceptional Item	371.8	346.1	54.0	296.7	134.1	225.3	334.9	1,162.3	1,469.9	2,881.1
Exceptional Item, (net of Tax)	523.0	427.2	-	-62.1	-	-36.0	-	6,109.5	85.5	2,258.4
Profit after Tax	894.8	773.3	54.0	234.6	134.1	189.4	334.9	7,271.8	1,555.3	5,139.4
Share Capital	852.8	852.8	852.8	852.8	852.8	852.8	852.8	852.8	852.8	852.8
Reserves and Surplus	12,486.3	13,420.4	13,039.4	13,073.0	13,100.6	13,224.3	13,415.2	20,515.5	21,184.4	26,057.4
Shareholders' Funds	13,339.1	14,273.3	13,892.2	13,925.8	13,953.4	14,077.2	14,268.1	21,368.4	22,037.2	26,910.2
Loan Funds	10,989.6	15,278.1	15,644.3	13,882.6	14,453.5	12,818.6	11,896.9	1,084.7	-	-
Total Capital Employed	24,328.7	29,551.4	29,536.5	27,808.4	28,407.0	26,895.8	26,165.0	22,453.1	22,037.2	26,910.2
Debt - Equity (%)	82.4	107.0	112.6	99.9	103.5	91.1	83.4	5.1	-	-
Gross Block (includes capital Work-in-progress)	28,549.8	31,013.8	34,254.9	37,428.4	28,421.5	29,270.5	27,393.5	27,816.3	28,634.5	29,704.2
Depreciation (includes Impairment)	5,946.9	6,927.8	8,686.2	10,087.0	1,891.2	3,935.8	5,333.4	6,935.5	8,572.0	10,338.3
Net Block (includes Capital Work in Progress)	22,602.9	24,086.0	25,568.7	27,341.5	26,530.3	25,334.7	22,060.1	20,880.8	20,062.5	19,365.9
Investments	150.0	150.1	150.1	150.1	150.2	150.3	0.3	0.3	20.4	20.7
Net Current Assets1	1,023.8	2,129.0	1,869.1	1,478.8	2,116.6	1,607.8	1,743.0	2,263.1	3,306.6	9,695.0
Operating Margin	6.7%	9.4%	6.7%	5.9%	6.4%	6.5%	6.8%	14.7%	15.7%	19.9%
Return on Capital Employed	3.9%	4.8%	3.6%	3.6%	4.4%	5.1%	5.7%	11.5%	10.5%	15.6%
Asset Turnover Ratio	0.75	0.64	0.64	0.64	0.73	0.82	0.92	0.82	0.72	1.07
Dividend 2										
(Incl. Tax thereon)	148.7	149.7	153.5	77.0	77.0	102.8	154.2	1,028.1	308.4	1,387.9
Rate of Dividend 2	15%	15%	15%	7.5%	7.5%	10.0%	15.0%	100.0%	30.0%	135.0%
No. of Issued Shares	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223
Book value per Share (Rs.)	156	167	163	163	164	165	167	251	258	316
Earnings per Share (Rs.)	10.49	9.07	0.63	3.48	1.57	2.22	3.93	85.27	18.24	60.26
Price/Earnings ratio	35.99	36.25	700.46	91.57	225.39	240.27	173.44	7.77	53.25	41.33
Return on Net Worth	3.7%	2.6%	0.2%	0.8%	0.5%	0.7%	1.3%	32.4%	7.1%	19.1%
Return on Equity	104.9%	90.7%	6.3%	27.5%	15.7%	22.2%	39.3%	852.7%	182.4%	602.6%
No of Shareholders	20,883	20,590	19,183	19,132	19,537	21,586	18,323	18,469	22,673	46,253
No of Employees	797	839	832	737	754	726	740	654	263	242

Note :

1. Net Current assets excludes short term borrowings and current maturities of long term borrowings
2. Dividend for 2021 is proposed and not provided in accounts for the year ended 31.12.2021.
3. The figures till year 2015 is based on iGAAP and from 2016 onwards figures are based on IndAS

Linde India Limited
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Email: contact.lg.in@linde.com
Customer Service Centre: 1800 3456789 (toll free)
www.linde.in

Making our world more productive

Linde India Limited.

Notice 2021.

Notice

Notice is hereby given that the Eighty Sixth Annual General Meeting ("AGM" or "Meeting") of the Members of Linde India Limited will be held through Video Conference (VC) or Other Audio-Visual Means (OAVM) on Thursday, 23 June 2022 at 10:00 a.m. IST to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at Oxygen House, P 43, Taratala Road, Kolkata 700 088.

Ordinary Business:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31 December 2021 together with the Reports of the Board of Directors and the Auditors thereon and the Audited Consolidated Financial Statements of the Company for the financial year ended 31 December 2021 together with the Report of the Auditors thereon.

2. To declare dividend on Equity Shares of the Company for the financial year ended 31 December 2021.

3. To appoint a director in place of Mr. Robert John Hughes (DIN: 08493540), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint M/s Price Waterhouse & Co. Chartered Accountants LLP (Firm Regn. No. 304026E/E-300009) as the Statutory Auditors of the Company and to fix their remuneration and in this connection, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED that pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Price Waterhouse & Co. Chartered Accountants LLP (Firm Regn. No. 304026E/E-300009) be and is hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 91st Annual General Meeting of the Company at a remuneration of Rs. 58,00,000/- (Rupees Fifty Eight Lakhs only) mutually agreed upon between Price Waterhouse & Co. Chartered Accountants LLP and the Board of Directors of the Company based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company".

Special Business:

To consider and, if thought fit, to pass with or without modification(s), the following resolutions:

5. As an **Ordinary Resolution**:

   "RESOLVED THAT Ms Mannu Sanganeria (DIN : 09243027), who was appointed by the Board of Directors ("the Board") as an Additional Director of the Company with effect from 29 July 2021 and who holds office up to the date of the ensuing Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Companies Act, 2013 from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company."

6. As a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 178, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force), applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr Abhijit Banerjee (DIN: 08456907) as the Managing Director of the Company for a second term of three years with effect from 7 June 2022 and ending with 6 June 2025, liable to retire by rotation as specified in Article 104 of the Articles of Association of the Company, on such terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his aforesaid tenure within the overall limits of Section 197 of the Act, as recommended by the Nomination and Remuneration Committee and the Board of Directors (the Board) of the Company with liberty to the Nomination and Remuneration Committee and the Board to alter and vary the terms and conditions of the said re-appointment and/or remuneration, as it may deem fit and as may be acceptable to Mr. Abhijit Banerjee provided that the remuneration after such alteration or variation, as the case may be, is in accordance with the provisions of Section 197 and/or Schedule V of the Act.

   RESOLVED FURTHER THAT Mr. Pawan Marda, Director – Corporate Affairs and Company Secretary of the Company be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, proper, expedient or incidental, to give effect to the above resolution."

7. As an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Messrs Mani & Co., Cost Accountants (Firm Regn. No. 000004), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year ending 31 December 2022 as prescribed under the Companies (Cost Records and Audit) Rules, 2014 be paid a remuneration of Rs. 2,10,000/- (Rupees Two Lakhs Ten Thousand only) plus applicable taxes and out of pocket expenses that may be incurred during the course of audit and the said remuneration be and is hereby ratified and confirmed."

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

By order of the Board
Linde India Limited

Pawan Marda
Membership No. ACS 8625
Director- Corporate Affairs
& Company Secretary

Bangalore
13 May 2022

Notes:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 concerning the Special Business in the Notice of this Meeting is annexed hereto and forms part of this Notice. The Board of Directors have considered and decided to include item nos. 5 to 7 given above as Special Business to be transacted in the forthcoming AGM, as they are unavoidable in nature.

2. In view of continuing situation due to COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has issued General Circular No. 2/2022 dated 5th May 2022 with reference to its earlier General Circular Nos. 20/2020 dated 5th May 2020, 02/2021 dated 13th January 2021 and 21/2021 dated 14th December 2021 ("MCA Circulars") allowing inter-alia conduct of AGMs through Video Conference (VC)/Other Audio Visual Means (OAVM) facility on or before 31 December 2022. In line with the MCA circulars, the Securities and Exchange Board of India has issued a Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May 2022 extending its earlier relaxations in connection with conduct of annual general meetings of companies till 31 December 2022. In compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 86th AGM of the Company will be conducted through Video Conference (VC)/Other Audio Visual Means (OAVM) Facility, which does not require physical presence of members at a common venue. The deemed venue for the 86th AGM shall be the Registered Office of the Company.

3. **A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company.** However, in terms of the MCA Circulars and the SEBI circular, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Companies Act, 2013 will not be available for the 86th AGM. In pursuance to Section 112 and Section 113 of the Companies Act, 2013, representatives of the Corporate Members may be appointed for the purpose of voting through remote e-Voting, for participation in the 86th AGM through VC/OAVM Facility and e-Voting during the said AGM.

4. The Company has engaged National Securities Depository Limited ("NSDL") for providing facility for voting through remote e-Voting and for participation in the 86th AGM through VC/OAVM Facility and e-Voting during the 86th AGM.

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

6. **The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 3 June 2022 to Thursday, 23 June 2022 (both days inclusive) for the purpose of the Meeting and payment of dividend.**

Others

7. In view of the requirement for mandatory dematerialization for transfer of securities as per the amended Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.

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

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

9. The Securities and Exchange Board of India (SEBI) has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. The PAN & KYC details are required to be submitted by the shareholders holding shares in physical form in Form No. ISR 1. The Company had accordingly sent circular letters dated 15 February 2022 to all shareholders holding shares in physical form together with copies of the forms for necessary action. In case you have already provided the said forms, then you may please treat this for information purpose only.

   It is important to note that as per SEBI's Circular, effective from 1 January 2022, any service requests or complaints received from the Members, will not be processed by the RTA till the aforesaid details/ documents are provided by shareholders to them. On or after 1 April 2023, in case any of the above cited documents/ details are not available in the Folio(s), the RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at www.linde.in .

10. The Members may note that KFin Technologies Ltd. was appointed as the new RTA of the Company in place of Link Intime India Pvt. Ltd. w.e.f. 28 December 2021. In view of the same, the Register of Members and copies of Annual Return are now being kept at the Registered Office of the Company.

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

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

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

13. In accordance with, the General Circular Nos. 20/2020 dated 5th May 2020, 02/2021 dated 13th January 2021, 21/2021 dated 14th December 2021 and 2/2022 dated 5th May 2022 issued by MCA ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May 2022 issued by SEBI, the Annual Report along with the Notice of the 86th AGM, and instructions for e-voting are being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/Depository Participants. Members may note that the Notice and Annual Report 2021 will also be available on the Company's website www.linde.in, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL https://www.evoting.nsdl.com. The Company will also be sending printed copies of the Annual Report 2021 to the shareholders on receipt of specific request.

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

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

Procedure for joining the AGM through VC/ OAVM:

15. Members may join the 86th AGM through VC/OAVM Facility by following the procedure as mentioned below, which shall be kept open for the Members from 9:30 a.m. IST i.e. 30 minutes before the time scheduled to start the 86th AGM and shall be kept open throughout the proceedings of the AGM.

16. Members may note that the VC/OAVM Facility, provided by NSDL, has capacity to allow participation of at least 1,000 Members on a first-come first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 86th AGM without any restriction on account of first-come first- served principle.

17. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same by following the steps mentioned in note no.32 E-voting: under the sub head "Step 1: Access to NSDL e-Voting system". After successful login, you can see "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under "Join General Meeting" menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in Note 32 (E-voting) in the Notice to avoid last minute rush.

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

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

    - Send a request at evoting@nsdl.co.in or use Toll free no.: 1800 1020 990 and 1800 22 44 30; or

    - Contact Mr. Amit Vishal, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in or AmitV@nsdl.co.in or

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

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

20. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number/folio number, email id, mobile number at investor.relations.in@linde.com. Questions/queries to be received by the Company through email between Thursday, 9 June 2022 to Thursday,16 June 2022 shall only be considered and responded during the AGM.

21. **Members who would like to express their views or ask questions during the AGM may register themselves as a Speaker by using the login method explained at note no. 32 E-voting: under the sub head "Step 1: Access to NSDL e-Voting system" from 9:00 a.m. on Monday, 20 June 2022 to 5:00 p.m. on Tuesday, 21 June 2022. After successful login, Members will be able to register themselves as a speaker shareholder by clicking on the link available against the EVEN of Linde India Limited.**

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

Dividend related information:

23. The Members, whose names appear in the Register of Members/ list of Beneficial Owners as on Thursday, 2 June 2022, i.e. the date prior to the commencement of book closure will be entitled to payment of Dividend for the financial year ended 31 December 2021, as recommended by the Board, if approved at the AGM.

24. As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall use any of the electronic mode of payment facility approved by the Reserve Bank of India for the payment of dividend. To avoid delay in receipt of dividend, Members holding shares in demat mode are requested to submit/update their Bank details viz. Bank Account Number, Name of the Bank, Branch details, MICR Code, IFS Code to the Depository Participants with whom they are maintaining their demat account.

    Members holding share(s) in physical mode and who have not updated their bank mandates are requested to update them as per instructions contained in note no.9 hereinabove.

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

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

Resident Shareholders

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

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

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2022-23 does not exceed Rs 5,000 and also in cases where Members provide Form 15G/Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding tax. PAN is mandatory for Members providing Form 15G / 15H or any other document as mentioned above.

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

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

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

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

Non – Resident shareholders

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

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the Member
- Copy of Tax Residency Certificate (TRC) for the FY 2022-23 obtained from the revenue authorities of the country of tax residence, duly attested by Member
- Self-declaration in Form 10F
- Self-declaration by the shareholder having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by Member.

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

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

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

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

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

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

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

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

The 'specified person' means a person who has:

a. Not filed return of income for both of the two assessment years relevant to the two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing return of income under sub-section (1) of Section 139 has expired; and
b. Subjected to tax deduction/collection at source in aggregate amounting to Rs.50,000 or more in each of such two immediate previous years.

Non-applicability - The non-resident who does not have a permanent establishment (i.e. fixed place of business in India).

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

The aforementioned documents are required to be uploaded on the Registrar's shareholder portal at https://ris.kfintech.com/form15/ during the period commencing from 3 June 2022 and ending on 18 June 2022. **Members are hereby informed that no communication from them would be entertained after 18 June 2022 regarding the tax withholding matters.** It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund from the Income Tax department, if eligible.

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

Members who have not encashed their dividend warrant(s) for any one or more of the financial year(s) viz. year ended on 31 December 2014, 31 December 2015, 31 December 2016, 31 December 2017, 31 December 2018, 31 December 2019 and 31 December 2020 are requested to send their claims to the Company or its Registrar & Transfer Agents, KFin Technologies Ltd., Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 for the same. The due dates for transfer of the aforesaid unpaid/unclaimed dividend to IEPF are as follows:

Dividend for the year ended	Due date for transfer to IEPF
Year Ended 31 Dec. 2014 (60th Dividend)	22 June 2022
Year Ended 31 Dec. 2015 (61st Dividend)	25 June 2023
Year Ended 31 Dec. 2016 (62nd Dividend)	25 May 2024
Year Ended 31 Dec. 2017 (63rd Dividend)	23 May 2025
Year Ended 31 Dec. 2018 (64th Dividend)	22 June 2026
Year Ended 31 Dec. 2019 (65th Dividend)	25 Oct. 2027
Year Ended 31 Dec. 2020 (66th Dividend)	31 July 2028

27. Members are requested to note that pursuant to the applicable provisions of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all such shares in respect of which dividend has not been paid or claimed for seven consecutive years are required to be transferred to the demat account of the IEPF Authority. In line with the said provisions, during the year 2021, the Company had issued individual notices dated 19 March 2021 to the concerned shareholders requesting them to claim their unpaid/unclaimed dividend. The Company had also published a notice dated 19 March 2021 in the Kolkata editions of Business Standard (English) and Aaj Kaal (Bengali) on 20 March 2021 in connection with transfer of such equity shares in the Company to the demat account of the Investor Education and Protection Fund Authority.

28. In compliance with the aforesaid provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company had submitted the corporate action information form of NSDL to its Registrar and Transfer Agents on 13 July 2021 for transfer of 12,351 shares of the Company to the Demat Account of the IEPF Authority, which were subsequently transferred to the Demat Account of the IEPF Authority on 20 July 2021 and 24 July 2021 on execution of the corporate action by the RTA. The details of shares transferred are as follows:

Shares held in	Number of records	Number of shares
Physical Form	120	11,739
NSDL	03	592
CDSL	01	20
Total	**124**	**12,351**

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

30. As mentioned in Note 26 above, the unpaid/unclaimed dividend for the year 2014 (60th Dividend) would become due for transfer to IEPF on 22 June 2022. Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the IEPF Rules, the transfer of the 60th dividend to IEPF would trigger the action for transfer of the next lot of shares to the Demat Account of the IEPF Authority, in respect of which Dividend remained unpaid/ unclaimed for the last seven consecutive years (i.e. 60th Dividend to 66th Dividend). In compliance with the IEPF Rules, the Company has already sent individual notices dated 17 March 2022 to the concerned shareholders and had also issued a public notice in newspapers for the attention of the concerned shareholders. **Any shareholder having a claim for the 60th (unpaid/unclaimed) Dividend is requested to submit the claim to the Company by email within 17 June 2022 as the Company will initiate action for closure of the 60th Dividend Account thereafter.**

Procedure for inspection of documents:

31. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules made thereunder and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, and other relevant documents in respect of the proposed resolutions, if any, would be made electronically available at the commencement of the Meeting and shall remain open and accessible to the Members during the Meeting. All documents referred to in the Notice will also be available for inspection by the Members at the Registered Office of the Company without any fee on all working days except Saturdays, Sundays and public holidays between 11:00 a.m. to 1:00 p.m. up to the date of AGM, i.e., 23 June 2022. Members seeking to inspect such documents can send an email to investor.relations.in@linde.com.

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

32. **E-voting:**

    In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December 2020 in relation to e-Voting facility provided by Listed Entities, the Company is pleased to provide to the Members facility of voting by electronic means in respect of businesses to be transacted at the 86th Annual General Meeting which includes remote e-voting (i.e. voting electronically from a place other than the venue of the general meeting) and voting during the AGM through an electronic voting system. As mentioned in the Note 4 above, the Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting by electronic means.

    The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Thursday, 16 June 2022, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

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

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

    Step 1: Access to NSDL e-Voting system

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

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

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

        Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December 2020 on "e-Voting facility provided by Listed Entities", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP), thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.

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

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

Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

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

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

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

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

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

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

(d) Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************

c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

(e) Your password details are given below:

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

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

iii. How to retrieve your 'initial password'?

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

- If your email ID is not registered, please follow instruction mentioned in Note No. 14 above.

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

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

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

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

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

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

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

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

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

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

(a) After successful login at Step 1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle and General Meeting is in active status.

(b) Select 'EVEN' of Company for which you wish to cast your vote during the remote e-Voting period and cast your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

(c) Now you are ready for e-voting as the voting page opens.

(d) Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.

(e) Upon confirmation, the message 'Vote cast successfully' will be displayed.

(f) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

(g) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

II. Instructions for Members for E-Voting during the 86th AGM:

(a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

(b) Only those Members, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

(c) Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(d) For details of the person who may be contacted for any assistance connected with the facility for e-voting on the day of the AGM, please refer to Note No. 19 above.

III. General Information:

(a) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.

(b) **The voting rights shall be as per the number of equity shares held by the Member(s) as on Thursday, 16 June 2022, being the cut-off date.** Members are eligible to cast vote electronically only if they are holding shares as on that date. In case of joint holders, only one of the joint holders may cast his/her vote.

(c) Mr S. M. Gupta (Membership No. FCS-896) of Messrs S. M. Gupta & Co., Company Secretaries (C. P. No. 2053), whom failing, Mr P Sarawagi (Membership No. FCS-3381) of Messrs P Sarawagi & Associates, Company Secretaries (C. P. No. 4882) who have individually consented to the Company to act as the Scrutinizer, have been appointed by the Board of Directors as the Scrutinizer to scrutinize the voting process for the 86th Annual General Meeting of the Company in a fair and transparent manner and submit the Scrutinizer's report of the total votes cast to the Chairman or a person authorized by him in writing.

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

(e) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 2244 30 or send a request at evoting@nsdl.co.in. or contact Mr. Amit Vishal, Senior Manager or Ms Pallavi Mhatre, Manager, National Securities Depository Ltd., Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email IDs: evoting@nsdl.co.in or AmitV@nsdl.co.in or pallavid@nsdl.co.in who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at the Company's email address investor.relations.in@linde.com.

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

IV. Other Instructions:

(a) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date, i.e. 16 June 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company/ RTA. However, if such shareholders are already registered with NSDL for remote e-voting, they can use their existing user ID and password for casting their vote. In case such shareholders forgot password, they can reset the password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30.

In case of Individual Shareholders holding securities in demat mode, who acquires shares of the Company and becomes a Member after desptach of the Notice and holding shares as of the cut-off date i.e. 16 June 2022, he/she may follow steps explained at note no. 32 E-voting: under the sub head "Step 1: Access to NSDL e-Voting system".

(b) **The remote e-voting period starts on Monday, 20 June 2022 at 9:00 a.m. and ends on Wednesday, 22 June 2022 at 5:00 p.m.** During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 16 June 2022, may cast their votes electronically. The remote e-voting module will be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

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

33. Appointment/re-appointment of Directors:

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

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

As the businesses specified in Item Nos. 5, 6 & 7 of the Notice of even date, to which this statement is annexed, are items of special business to be transacted at the 86th Annual General Meeting of the Company, the following facts are set out in compliance with the provisions of Section 102 of the Companies Act, 2013.

Item No.5

The Board of Directors of the Company had on the recommendation of the Nomination & Remuneration Committee appointed Ms Mannu Sanganeria (DIN: 09243027) as an Additional Director (Non-Executive) of the Company with effect from 29 July 2021. Ms Sanganeria, as an Additional Director holds office only until the ensuing Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment as Director of the Company.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021, approval of shareholders for appointment of a person on the Board of Directors or as Manager shall be taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier, which is effective from 1 January 2022. However, as Ms. Sanganeria was appointed by the Board of Directors as an Additional Director of the Company before 1 January 2022, necessary resolution for appointment of Ms. Sanganeria as a Director of the Company is being placed before the shareholders at the ensuing Annual General Meeting.

Requisite Notice under Section 160(1) of the Companies Act, 2013 has been received by the Company from a Member signifying his intention to propose appointment of Ms Mannu Sanganeria as a Director of the Company. Further, the Company has received from Ms Sanganeria (i) Consent in writing to act as Director in Form DIR-2 (ii) Intimation in Form DIR-8 to the effect that she is not disqualified under Section 164(2) of the Companies Act, 2013 and (iii) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated 20 June 2018, that she has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

In the opinion of the Board, Ms Sanganeria is a person of integrity and fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder read with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 each as amended and is therefore eligible for being appointed by the Members of the Company. The other requisite details of Ms Sanganeria, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2) are separately provided below as an additional information to the Members.

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

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

Item No.6

Pursuant to the recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company, the relevant provisions of the Articles of Association of the Company and subject to the approval of the Members at the ensuing Annual General Meeting of the Company, the Board of Directors had at its Meeting held on 13 May 2022 re-appointed Mr. Abhijit Banerjee (DIN: 08456907) as the Managing Director of the Company for a second term of 3 years w.e.f. 7 June 2022 under Sections 178, 196, 197, 203 and other applicable provisions of the Companies Act, 2013 ("the Act").

Mr. Abhijit Banerjee, 54 years old is a B. Tech. in Chemical Engineering from IIT, Kharagpur. Mr. Banerjee joined the Company in the year 2009 and has gathered rich experience of about 34 years in manufacturing sector covering design engineering, marketing, project management, business development and strategic account management across reputed companies. Before appointment as the Managing Director, Mr. Banerjee was working as Vice President- Tonnage Accounts Management of the Company since 2014.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors, hereby, recommends the re-appointment of Mr. Abhijit Banerjee, as the Managing Director of the Company for a second term of three years, with effect from 7 June 2022. The details of the proposed terms and conditions including remuneration payable to Mr Banerjee for his new term as the Managing Director w.e.f. 7 June 2022 are set out below:

- Basic Salary: Rs. 4,354,752/- per annum with authority to the Nomination and Remuneration Committee, Audit Committee and the Board to give increments, which will be merit based and take into account the Company's performance.
- House Rent Allowance: Rs. 2,177,376/- per annum (being 50% of the basic salary) or furnished accommodation in lieu thereof as may be opted by Mr. Banerjee.
- Special Allowance: Rs. 3,500,736/- per annum or such amount as may be decided by the Nomination and Remuneration Committee, Audit Committee and the Board from time to time.

- Additional Allowance: Rs. 2,480,736/- per annum or such amount as may be decided by the Nomination and Remuneration Committee, Audit Committee and the Board from time to time.
- Insurance Premium for the maintenance of a Group Health Policy or policies for Mr. Banerjee and his family for medical benefits as per the Rules of the Company. The Company shall bear the cost of premium of Mr. Banerjee's Personal Accident Insurance as per the Company's scheme.
- Leave Travel Concession of Rs. 75,000/- per annum for Mr. Banerjee and his family.
- Provision of one Car for official/personal use of Mr. Banerjee including the running and maintenance expenses thereof and driver wages up to an aggregate limit of Rs. 1,020,000/- per annum.
- Telephone facility at the residence of Mr. Banerjee for official/ limited personal use and a cellular phone for his official use. Cost of personal long-distance calls made by Mr. Banerjee shall be borne by him.
- Fees/Subscription of one club other than admission/life membership fees.
- Contribution to Provident and Gratuity funds as per Rules of the Company.
- Reimbursement of Mr. Banerjee's entertainment expenses as actually and properly incurred by him in the course of and for the purpose of the business of the company.
- Leave according to the rules of the Company.
- Variable performance pay as per the Short Term, Medium Term and Long Term Incentive Plans applicable to Whole Time Directors of the Company.
- In the event of loss or inadequacy of profits in any financial year, the Managing Director shall be paid remuneration by way of salary, allowances and perquisites as specified under Section II of Part II of Schedule V of the Companies Act, 2013 as applicable from time to time.

The key terms and conditions of re-appointment of Mr Banerjee are as follows:

1. Mr Banerjee shall hold office and act as the Managing Director of the Company for a term of three years commencing from 7 June 2022 and ending on 6 June 2025 (hereinafter referred to as "Term"), upon and subject to the terms and conditions herein contained.
2. Mr. Banerjee will not ordinarily retire by rotation except in the event specified in the Article 104 of the Articles of Association of the Company.
3. Mr Banerjee shall, unless prevented by ill health or accident and save while on leave, throughout the said Term, devote the whole of his time, attention and abilities to the business of the Company and shall obey the orders from time to time of the Board of the Company and in all respects conform to and comply with the directions and regulations made by the Board and shall well and faithfully serve the Company and use his utmost endeavour to promote the interests thereof.
4. During the continuation of this Agreement, Mr. Banerjee shall faithfully and diligently serve the Company and subject to the superintendence, control and direction of the Board and provisions of Articles of Association of the Company, he shall have substantial power of management of the affairs of the Company and shall perform the duties and exercise the powers in relation thereto. He shall perform such further duties and exercise such powers as may be entrusted or conferred upon him by the Board or by the Act or by the Articles of the Company from time to time.
5. Mr Banerjee shall not, except with the consent of the Board, during the Term of his employment be directly or indirectly engaged or financially concerned or interested in any other business or concern including appointment as a director of any other Company otherwise than as holder of shares or debentures of any company.
6. Mr Banerjee shall be entitled to leave at such time during the Term of his appointment as may be convenient to the Company according to the rules applicable to the Wholetime Directors of the Company.
7. If at any time, Mr Banerjee ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Managing Director of the Company.
8. The appointment as Managing Director shall be subject to termination:
   (a) by the Company by not less than three months notice in writing given at any time while Mr Banerjee shall have been incapacitated by reasons of ill health or accident from performing his duties hereunder for a total period of six months in the preceding period of twelve months;
   (b) by the Company by summary notice in writing if Mr Banerjee shall have committed any serious breach or continued any breach of his obligation hereunder or shall have been guilty of conduct tending to bring the Company or his office hereunder into disrepute or shall have committed an act of insolvency or compounded with his creditors generally;
   (c) by either party hereto by not less than six months notice in writing given at any time to the other party.
9. Mr Banerjee shall not, either during or after termination of his appointment hereunder, divulge or communicate to any person or persons except to those whose province it is to know the same or himself make use of any of the Company's secrets or any other information which he may receive or obtain in relation to the Company's affairs or to the working of any process or invention which is carried on or used by the Company or any other matters which may come to his knowledge in the course of or by reason of his employment with the Company.

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

The other requisite details of Mr. Abhijit Banerjee, pursuant to Regulation 36 of the Listing Regulations and the Secretarial Standard on General Meeting (SS-2) are annexed hereto.

The Company proposes to enter into an Agreement with Mr Abhijit Banerjee after the approval of the appointment by the Members at the ensuing Annual General Meeting.

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

The Board therefore, recommends the Special Resolution at item no. 6 for your approval.

Item No. 7

The Board of Directors of the Company had on the recommendation of the Audit Committee, approved the appointment of Messrs Mani & Co., Cost Accountants (Firm Regn. No. 000004) as the Cost Auditors at a fees of Rs. 2,10,000/- (Rupees Two Lakhs and Ten Thousand only) plus applicable tax and out of pocket expenses that may be incurred during the course of audit of cost records of the Company for the financial year ending on 31 December 2022. Messrs Mani & Co. has vast experience in the field of cost audit across diverse industries including chemical sector to which your Company belongs.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. None of the Directors and Key Managerial Personnel (KMPs) of the Company, either directly or through their relatives, is in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

The Board, therefore, recommends the Ordinary Resolution set out at item no. 7 of the Notice for approval by the Members.

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

Mr Robert John Hughes

Mr Robert John Hughes (DIN: 08493540) is a Bachelor of Science, Chemistry, from Bradford University, UK and holds a Diploma in Management Studies from Hull University, UK. Mr Hughes has over 35 years of experience, which includes nearly 30 years of rich experience in BOC and Linde in customer-facing leadership roles including Sales, Key Customer Management, Customer Services and Marketing, Strategic Management and management of JVs.
Mr Hughes has held senior management positions in BOC in Europe and subsequently in Linde in Asia and was the Head of Regional Business Unit, South and East Asia of The Linde Group from 2015 to 2018, when he successfully led through both business growth and turnaround situations.

Age: 59 years

Nature of expertise in specific functional areas: Sales, Key Customer Management, Customer Services and Marketing, Strategic Management and management of JVs.

Disclosure of inter-se relationships between Directors and Key Managerial Personnel: There is no inter-se relationship between Mr Robert John Hughes, other members of the Board and Key Managerial Personnel of the Company.

Listed entities (other than Linde India) in which Mr Robert John Hughes holds directorship and committee membership and names of listed entities from which Mr Hughes resigned in the past three years: Nil

Shareholding in the Company as on 31 December 2021 (including shareholding, if any as a beneficial owner): Nil

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

Date of first appointment on Board and number of Board meetings attended: The details pertaining to Mr Hughes' appointment and number of meetings attended by him are provided in the Corporate Governance Report forming part of the Annual Report 2021.

Ms Mannu Sanganeria

Ms Mannu Sanganeria (DIN : 09243027), holds a Bachelor's degree in Arts from Delhi University and is also a Member of The Institute of Chartered Accountants of India. Ms Sanagateria has over 21 years of work experience in Finance & Accounting roles during her stints with BOC and Linde Group. She had joined Linde India Ltd. (formerly known as BOC India Ltd.) in the year 2000 as an Accountant and subsequently moved to Singapore in 2005 in the Finance function. Ms Sanganeria has held leadership roles in areas of Financial Planning & Performance Management responsible for South & East Asia and Asia Pacific region of the Linde plc Group. In her present role, she is working as Director, M&A in Linde plc Group based out of Singapore.

Age: 46 years

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

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

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

Shareholding in the Company as on 31 December 2021 (including shareholding, if any as a beneficial owner): Nil

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

Date of first appointment on Board and number of Board meetings attended: The details pertaining to Ms Sanganeria's appointment and number of meetings attended by her are provided in the Corporate Governance Report forming part of the Annual Report 2021.

Mr Abhijit Banerjee

Mr Abhijit Banerjee (DIN: 08456907) is a B.Tech in Chemical Engineering from IIT, Kharagpur. Mr Banerjee joined the Company in the year 2009 and has gathered rich experience of about 34 years in manufacturing sector covering design engineering, marketing, project management, business development and strategic account management across reputed companies, viz. Shaw Wallace & Co. Ltd, Otto India Ltd. (a member of ThyssenKrupp group), SMS Demag Pvt. Ltd. and with Linde India Ltd. Mr Banerjee's experience includes deputation for 18 months at Thyssen at Bochum, Germany. Before appointment as Managing Director, Mr Banerjee was working as Vice President- Tonnage Accounts Management of the Company since 2014.

Age: 54 years

Nature of expertise in specific functional areas: Design engineering, marketing, project management, business development and strategic account management, onsite account management.

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

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

Shareholding in the Company as on 31 December 2021 (including shareholding, if any as a beneficial owner): Nil.

Remuneration proposed to be paid and last drawn salary: The details of remuneration/terms of re-appointment of Mr Banerjee are mentioned in the explanatory statement annexed to this Notice. The total remuneration paid by the Company to Mr. Banerjee during the year 2021 was Rs. 22,055,590/- as per details stated in the Corporate Governance Report forming part of the Annual Report 2021.

Key terms and conditions of re-appointment: The key terms and conditions of re-appointment of Mr Banerjee are furnished in item no.7 of the explanatory statement annexed to this Notice.

Date of first appointment on Board and number of Board meetings attended: The details pertaining to Mr Banerjee's appointment and number of meetings attended by him are provided in the Corporate Governance Report forming part of the Annual Report 2021.

Disclosure in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Item No.4

The requisite details regarding appointment of M/s. Price Waterhouse & Co. Chartered Accountants LLP as statutory auditors of the Company pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided below as an additional information to the Members.

In accordance with Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Registration No.: 117366W/W-100018), Statutory Auditors of the Company shall retire at the conclusion of the 86th AGM of the Company.

The Board of Directors of the Company at their meeting held on 24 February 2022, on the recommendation of the Audit Committee, have recommended the appointment of M/s. Price Waterhouse & Co. Chartered Accountants LLP (ICAI Registration No.: 304026E/E-300009) ("M/s PWC") as the Statutory Auditors of the Company, by the Members for a term of five consecutive years from the conclusion of 86th AGM till the conclusion of 91st AGM of the Company, at an annual remuneration of Rs.58,00,000/- (Rupees Fifty Eight Lakhs only) for the year ending 31 December 2022, plus out of pocket expenses and applicable taxes. The remuneration for the subsequent year(s) of their term shall be determined based on the recommendation of the Audit Committee and as mutually agreed between the Board of Directors of the Company and the Statutory Auditors. There is no material change in the remuneration paid to M/s. Deloitte Haskins & Sells LLP, the retiring Statutory Auditors, for the statutory audit conducted for the year ended 31 December 2021 and the remuneration proposed to be paid to M/s. PWC for the year ending 31 December 2022.

Price Waterhouse & Co Chartered Accountants LLP, having a Firm Registration No. 304026E/E-300009, is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Firm was established in the year 1991 and was converted into a limited liability partnership in the year 2014. The registered office of the Firm is at Plot No. Y 14, Block EP, Sector V, Salt Lake, Electronic Complex Bidhan Nagar, Kolkata 700 091. The Firm is primarily engaged in providing assurance and auditing services to its clients and is a member firm of Price Waterhouse & Affiliates, a network of firms registered with the Institute of Chartered Accountants of India having Network Registration No. NRN/E/14. The firm has a valid peer review certificate and audits various companies listed on stock exchanges in India.

Pursuant to Section 139 of the Companies Act, 2013 and the rules framed thereunder, the Company has received written consent from M/s. PWC and a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. PWC has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of the 86th AGM. Accordingly, the Board of Directors recommends aforesaid appointment to the Members for their approval by way of an Ordinary Resolution as set out at Item No. 4 of the accompanying Notice of the 86th AGM.

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

Bangalore
13 May 2022

By order of the Board
Linde India Limited

Pawan Marda
Membership No. ACS 8625
Director- Corporate Affairs
& Company Secretary

Information at a Glance

Particulars	Details
Time and Date of AGM	10.00 a.m. IST, Thursday, 23 June 2022
Mode	Video Conference (VC) and Other Audio-Visual Means (OAVM)
Helpline number for VC participation	NSDL Toll Free No.: 1800 1020 990 and 1800 2244 30
Webcasts and transcripts	http://www.linde.in/en/investor_relations/
Book Closure date for Dividend	3 June 2022 to 23 June 2022 (both days inclusive)
Dividend payment date	On or about 28 June 2022
Cut-off date for e-voting	Thursday, 16 June 2022
E-voting start time and date	9.00 a.m. IST, Monday, 20 June 2022
E-voting end time and date	5.00 p.m. IST, Wednesday, 22 June 2022
Date for receiving of questions by email	9 June 2022 to 16 June 2022 (both days inclusive)
Date for registration as Speaker shareholder	20 June 2022 to 21 June 2022 (both days inclusive)
E-voting website of NSDL	https://www.evoting.nsdl.com/
Name, address and contact details of e-voting service provider	**Amit Vishal,** Senior Manager **Pallavi Mhatre,** Manager National Securities Depository Limited, 4th Floor, A Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013, India Contact details: Email id: AmitV@nsdl.co.in; pallavid@nsdl.co.in; evoting@nsdl.co.in; Contact number: 1800 1020 990 and 1800 2244 30
Name, Address and Contact details of Registrar & Transfer Agent	**Mr S V Raju** Dy. Vice President **KFin Technologies Ltd.** Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 Contact details: Email id: einward.ris@kfintech.com Contact Number: +91 40 6716 2222

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