HGHL Holdings Limited

Financial Statements

for the year ended 31 March 2023

Registered number: 08302976

HGHL Holdings Limited
Financial Statements for the year ended 31 March 2023
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HGHL Holdings Limited

Directors' Report
For the year ended 31 March 2023

The directors present their annual report on the affairs of HGHL Holdings Limited ("the Company"), together with the financial statements and auditor's report, for the year ended 31st March 2023. The directors have taken advantage of the exemption not to include a strategic report in accordance with 414A of the Companies Act 2006. This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Principal activities

The principal activity of the Company is that of a holding and financing company.

Business review and future developments

The Company made a profit after tax of US$1,601,492 during the year (31 March 2022 : US$ 20,303,780). The decrease in operating profit for the year was attributable to no dividends received as shareholding in Gulf Houghton Lubricants Limited was disposed off in the previous year and loss on financial instrument recognised in the current year.
During the previous year company sold its remaining stake of 5.32% of its holding in Gulf Houghton Lubricants Ltd.

Going concern

The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future. On the basis of their assessment of the Company's financial performance the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future.

Directors

The directors, who served throughout the period, and to date were as follows:
Sandra Georgeson
Debabrata Sarkar
Partha Ghosh

Independent Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Approved by the Board and signed on its behalf by:

Partha Ghosh

Name: Partha Ghosh
Director
Date:
12 Charles II Street,
London,
United Kingdom,
SW1Y 4QU

May 22, 2023

HGHL Holdings Limited

Statement of directors' responsibilities in respect of the directors' report and the financial statements for the year ended 31 March 2023

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law.

Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
-prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

HGHL Holdings Limited
Independent auditor's report to the members of HGHL Holdings Limited

Our opinion

We have audited the financial statements of HGHL Holdings Limited (the "Company"), which comprise the balance sheet as at 31 March 2023, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to financial statements, comprising significant accounting policies and other explanatory information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of the Company's profit for the year then ended;
- are properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including FRC Ethical Standards. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Other Matters

The financial statements of the Company for the year ended March 31, 2022, were audited by another auditor who expressed an unqualified opinion on those statements dated 26 August 2022.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

  We have nothing to report in these respects.

Responsibilities of directors

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance of the company.

Our approach was as follows:

- We obtained a general understanding of the legal and regulatory frameworks that are applicable to the company and determined that there are no significant laws and regulations except for company's legislation and the financial reporting framework (UK GAAP). We obtained a general understanding of how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance matters of the Company.

- The Company's principal activity was that of a holding and financing company. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.

- Enquiries with the management concerning any actual or potential litigation or claims; inspection of relevant legal correspondence if any; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Opinder Sawhney
PBG Associates (London) Ltd
Senior Statutory Auditor
Date: May 22, 2023

HGHL Holdings Limited

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 March 2023

Particulars	**Note**	**2023** $	**2022** $
Dividend income		-	1,585,330
Administrative expenses		(252,072)	(315,380)
Operating profit		**(252,072)**	**1,269,950**
Finance income	5	19,346,444	11,479,322
(Loss)/Income – financial instrument	5	(1,273,933)	16,836,813
Finance costs	5	(15,544,463)	(8,838,730)
Profit before taxation		**2,275,976**	**20,747,355**
Tax	6	(674,484)	(443,575)
Profit after taxation		**1,601,492**	**20,303,780**
Other comprehensive income			
(Loss) on sale financial assets		-	(26,026,905)
Total comprehensive gain/(loss) for the year		**1,601,492**	**(5,723,125)**

The notes to accounts form an integral part of these financial statements.

HGHL Holdings Limited

Balance Sheet
As at 31 March 2023

Particulars	Note	2023 $	2022 $
Non-current assets			
Loans to others	9	137,500,000	200,000,000
Derivative financial instrument at FVTPL	5	-	16,836,813
Total Non-current assets		**137,500,000**	**216,836,813**
Current assets			
Investments at FVTOCI	7	5,908,905	5,908,905
Derivative financial instrument at FVTPL	5	15,562,880	-
Loans to others	9	128,387,255	-
Loans to other group entities	16	-	62,427,413
Trade and other receivables	8	3,255,997	2,157,133
Cash and bank balances		3,116,495	3,921,402
Total Current assets		**156,231,532**	**74,414,853**
Total assets		**293,731,532**	**291,251,666**
Current liabilities			
Borrowings	10	60,413,520	-
Trade and other payables	11	1,190,240	604,737
Total current liabilities		**61,603,760**	**604,737**
Net current assets		**94,627,772**	**73,810,116**
Non-current liabilities			
Borrowings	10	136,626,905	196,747,554
Total liabilities		**198,230,665**	**197,352,291**
Net assets		**95,500,867**	**93,899,375**
Equity			
Share capital	12	160,456	160,456
Retained profit	13	95,340,411	93,738,919
Equity attributable to owners of the Company		**95,500,867**	**93,899,375**

The notes to accounts form an integral part of these financial statements.

The financial statements of HGHL Holdings Limited (Registered number: 08302976) were approved by the board of directors and authorised for issue on May. 22, 2023

They were signed on its behalf by:

Partha Ghosh

Partha Ghosh
Director
May 22, 2023

HGHL Holdings Limited

Statement of Changes in Equity
For the year ended 31 March 2023

Particulars	Share capital $	Retained profit $	Total $
Balance at 31 March 2021	160,456	102,462,044	102,622,500
Profit for the year	-	20,303,780	20,303,780
Other comprehensive income for the year	-	(26,026,905)	(26,026,905)
Dividends	-	(3,000,000)	(3,000,000)
Balance at 31 March 2022	**160,456**	**93,738,919**	**93,899,375**
Profit for the year	-	1,601,492	1,601,492
Balance at 31 March 2023	**160,456**	**95,340,411**	**95,500,867**

The notes to accounts form an integral part of these financial statements.

HGHL Holdings Limited

Cash Flow Statement
For the year ended 31 March 2023

Particulars	Note	2023 $	2022 $
Net Cash (used in)/ generated from operating activities	14	**(295,569)**	**2,358,830**
Investing activities			
Proceeds on sale of financial assets		-	47,097,228
Interest received		14,742,254	8,905,339
Intercompany loans given		-	(97,159,323)
Repayment of loans given		-	3,525,000
Net cash generated/(used in) from investing activities		**14,742,254**	**(37,631,756)**
Financing activities			
Proceeds from bank loans		-	47,350,500
Finance costs paid		(15,251,592)	(4,902,108)
Dividends		-	(4,585,330)
Net cash (used in)/generated from financing activities		**(15,251,592)**	**37,863,062**
Net increase in cash and cash equivalents		**(804,907)**	**2,590,136**
Cash and cash equivalents at beginning of period		3,921,402	1,331,266
Cash and cash equivalents at end of period		**3,116,495**	**3,921,402**

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the IFRS 7 - Statement of Cash Flow.

Debt reconciliation statement :	2023 $	2022 $
Opening borrowings	196,747,554	147,239,684
Proceeds from borrowings	-	47,350,500
Non-cash	292,871	2,157,370
Closing borrowings	**197,040,425**	**196,747,554**

The notes to accounts form an integral part of these financial statements.

HGHL Holdings Limited

Notes to the Financial Statements
For the year ended 31 March 2023

1. General information

HGHL Holdings Limited is a private company incorporated in the United Kingdom under the UK Companies Act 2006. The address of the registered office is 12 Charles II Street, London, SW1Y 4QU, United Kingdom. The Company was incorporated on 21 November 2012. The nature of the Company's operations and its principal activities are set out in the Director's report on page 1 and 2.

These financial statements are prepared for the year ended 31 March 2023. The financial statements are presented in US Dollars which is the Company's functional currency.

2. Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Directors' report on page 1 and 2.

The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future. On the basis of their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future.

3. Significant accounting policies

3.1 Basis of accounting

The financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.
The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The principal accounting policies adopted are set out below.

3.2 Standards issued but not yet effective

A number of new Standards are effective for annual periods beginning after 1 January 2022 and earlier adoption is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.
The amended standards and interpretations are not expected to have a significant impact on the Company's financial statements.

3.3 Accounting policies Foreign currency

The financial statements are presented in US Dollars, which is the currency of the primary economic environment in which the Company operates (its functional currency).

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

Financial instruments

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

(a) Classification

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

(b) Subsequent measurement and gains and losses

Financial assets at FVTPL - these assets (other than derivatives designated as hedging instruments) are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

3. Significant accounting policies (continued)

3.3 Accounting policies (continued) Financial instruments (continued) Financial assets (continued)

Debt investments at FVOCI - these assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI - these assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash and balances with banks.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Impairment

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI and contract assets.

The Company measures loss allowances at an amount equal to lifetime ECL, except for other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition which are measured as 12-month ECL.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL Trade receivables and contract assets with significant financing component are measured using the general model described above.

3. Significant accounting policies (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.
12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).
The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Write-offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

3. Significant accounting policies (continued)

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Financing income and expenses

Financing expenses include interest payable on borrowings. Financing income comprises interest receivable on loans receivable.
Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

Administrative expenses

Administrative expenses include accountancy, directors and professional expenses. Expenses are accounted for on an accruals basis.

4. Critical judgements in applying the company's accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and 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 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.

During the year, there were no critical judgements made in applying the Company's accounting policies.
The key assumptions concerning the future, and other key sources of estimation uncertainty at 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, are discussed below:

Valuation of investment
Valuation techniques and significant unobservable inputs for financial instruments measured at fair value:

Type	Fair Value Hierarchy	Valuation technique	Significant unobservable inputs
Investments at FVTOCI	Level 3	Discounted cashflow method	Cash Flows from sales of residential units and cash flows from hotels: Information provided by management.
Derivative financial asset at FVTPL	Level 3	Black Scholes approach: Modified to include the dividends, where one of the inputs to the Model, estimation of volatility, uses comparable Company approach.	The stock price has been estimated by an independent third-party valuer appointed by the management and volatility has been estimated by using the comparable company approach.

Loan receivable
The recoverability and credit risk assessment of the loan receivable from 57 Whitehall Investments SARL, which is linked to the property development activities of this entity.

5. **Finance income and costs**	**2023**	**2022**
	$	**$**
Interest on loans (including bank	(13,544,463)	(4,948,698)
Letter of credit charges	-	(2,140,032)
Guarantee commission (note 16)	(2,000,000)	(1,750,000)
Total interest expense	(15,544,463)	(8,838,730)
Interest receivable	19,346,444	11,479,322
Income/(loss) on financial instrument	(1,273,933)	16,836,813
Total interest and financial instrument	18,072,511	28,316,135
Net finance income	**2,528,048**	**19,477,405**

Derivative financial asset of put option to sell shares of 57 Whitehall Investments SARL:
On 1 March 2022, the Company has entered into Addendum to share purchase agreement with ACHT Investment Limited (ACHT) whereby ACHT has given a firm commitment to buyback the shares of 57 Whitehall Investments SARL from the Company. The Buyback would happen as of 31 March 2024 or any date post that subject to mutual agreement of ACHT and the Company; and the Buyback price would be GBP 17,791,907 (equivalent to $ 21,974,606 on 31 March 2023) . The Buyback price will increase by 1% p.a. pro-rata if buyback is concluded after 31 March 2024 which would be no later than 31 March 2027.

5. Finance income and costs (continued)

Derivative financial asset of put option to sell shares of 57 Whitehall Investments SARL (continued):

In the above agreement the optionality component is a Put option, as it gives protection to the Company against the possible diminution in value of investment. As at 31 March 2022 and 31 March 2023, the put option is measured at $16,836,813 (GBP 12,822,284) and $15,562,880 (GBP 12,511,223) respectively. The put option is accounted for as a derivative in accordance with IFRS 9 i.e. at fair value through profit or loss.

	2023 $	2022 $
Derivative financial asset		
Opening balance	16,836,813	-
Additions/(disposals)	-	17,436,608
Fair value (loss) on derivative financial assets	(1,273,933)	(599,795)
Closing balance	**15,562,880**	**16,836,813**
Realisable within 12 months	**15,562,880**	-
Realisable after 12 months	-	**16,836,813**

6. Tax

	2023 $	2022 $
Profit before taxation	2,275,976	20,747,355
Tax calculated at 19% (2022 – 19%) Effects of:	432,435	441,790
Unadjusted difference	-	1,785
Tax effect of expenses that are not deductible in determining taxable profit	242,049	-
Income tax expense	**674,484**	**443,575**

7. Investments

Particulars	2023 $	2022 $
Investments carried at fair value through other comprehensive income		
Opening balance	5,908,905	79,033,038
Change in fair value	-	(18,615,742)
Disposal of investment	-	(54,508,391)
Total investments	**5,908,905**	**5,908,905**

During the previous year the Company disposed of its final stake of 5.32% in Gulf Houghton Lubricants Ltd for $47,418,904 with a loss on disposal of $7,411,163.

On 1 March 2021, the Company invested USD 24,524,694 for a 10% shareholding in 57 Whitehall Investments SARL. This is an unquoted investment and has been measured at FVOCI. At 31 March 2022 the investment's fair value was measured at $5,908,905 (GBP 4,500,000) resulting in an impairment loss of $18,615,742 recognised under other comprehensive income. At 31 March 2023 the investment's fair value was measured at $6,249,555 (GBP 5,060,000), accordingly no impairments are charged during the year.

HGHL Holdings Limited

Notes to the Financial Statements
For the year ended 31 March 2023

8. Trade and other receivables

	2023	2022
	$	$
Accrued Income	3,221,681	2,077,333
Prepayments	34,316	79,800
	3,255,997	**2,157,133**

The carrying value of trade and other receivables approximate their fair value due to the short-term maturities or nature of these instruments.

9. Loans

	2023	2022
	$	$
Loans to others*	**265,887,255**	**200,000,000**
Realisable within 12 months	128,387,255	-
Realisable after 12 months	137,500,000	200,000,000

*Out of the above loan the Company had given loan to Gulf Oil International Ltd in prior years. With effect from 1 April 2022, Gulf Oil International Ltd has sold and assigned the entire loan to another party viz. IndusInd Finance Ltd which is registered in Republic of Mauritius. Accordingly, "Loans given to related party" have been reclassified to "Loans to others" during the current year.

10. Borrowings

	2023	2022
	$	$
Secured borrowing at amortised cost		
Bank loans	200,000,000	200,000,000
Less: Capitalised fees	(2,959,575)	(3,252,446)
Total borrowings	197,040,425	196,747,554
Amount due for settlement within 12 months	60,413,520	-
Amount due for settlement after 12 months	136,626,905	196,747,554

The other principal features of the company's borrowings are as follows:

An external loan of $200 Mn from Union Bank of India (UBI) was taken in three tranches, $75 Mn on 10th March 2021, $75 Mn on 12th March 2021 and $50 Mn on 30th September 2021 against a standby letter of credit issued by IBF, Chennai, Union Bank of India on behalf of M/S GOCL Corporation Limited. Interest on loan is 3month Libor + 260 bps.
The $150 Mn loan taken in March 2021 is repayable in half yearly instalments beginning 30th June 2023 and ending on 31 December 2026.
The $ 50 Mn loans is repayable in yearly instalments beginning September 2024 and ending September 2027.

11. Trade and other payables

	2023	2022
	$	$
Accruals	757,476	527,643
Trade creditor	244,502	33,554
Corporation tax payable	188,262	43,540
	1,190,240	604,737

The carrying value of trade and other payables approximates their fair value.

12. Share capital

	2023	2022
	$	$
Authorised, allotted, called up and fully paid:	160,456	160,456
100,000 ordinary shares of £1 each		

The Company has one class of ordinary shares which carry no right to fixed income and were issued on incorporation.

13. Retained profit

Particulars	2023	2022
	$	$
Opening balance	93,738,919	102,462,044
Profit for the period	1,601,492	20,303,780
Dividends paid	-	(3,000,000)
Other comprehensive income/(expense)	-	(26,026,905)
Closing balance	**95,340,411**	**93,738,919**

The retained profit comprises the accumulated comprehensive income of the Company, less any dividends paid.

14. Notes to the cash flow statement

	2023	2022
	$	$
Profit for the period before tax	2,275,976	20,747,355
Adjustments for:		
Movements in Working Capital	486,265	1,541,546
	2,762,241	**22,288,901**
Interest Income	(19,346,444)	(11,479,322)
Interest Expense	15,544,463	8,838,730
Income on financial instrument	-	(17,436,608)
Fair Value (gain)/loss on Derivative financial instrument at FVTPL	1,273,933	599,795
	234,193	**2,811,496**
Less : Taxes paid	(529,762)	(452,666)
Net cash from operating activities	**(295,569)**	**2,358,830**

15. Financial Instruments

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings disclosed in note 10 after deducting cash and bank balances), and equity of the Company's parent, comprising issued capital and retained earnings as disclosed in notes 12 to 13. The Company is an investment holding company.

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 Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively monitors and manages its currency and interest rate exposures and will use derivative instruments such as forward contracts and currency swaps to mitigate the risks from such exposures as required.

Foreign currency risk

Foreign exchange risk is the risk that the value or cash flows of an asset, liability or highly probable forecast transaction denominated in foreign currency (ie, a currency other than the functional currency of the Company) will fluctuate because of changes in foreign exchange rates. The Company has invested in non-USD investments.

The Company is exposed to foreign currency risk arising from payments of various expenditures (predominately in GBP) and investments denominated in foreign currencies (mainly GBP). Its risk management policy is to forecast the amount of GBP payments and convert from USD to GBP as soon as deemed appropriate. The Company will monitor its investment position and will use derivative instruments such as currency swaps to mitigate the risks from such exposures as required.

Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds from the bank at floating interest rates. The Company's profit before tax would decrease by $1,000,000 (2022: $1,000,000) if LIBOR increases by 50 basis points.

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

Trade receivables and loans to other group entities consist of a receivable from a related party and considers the credit risk from the related party to be low based on the financial position of the counter party.

Liquidity risk management

The Company receives interest income in time to pay the interest expense. Payments are received from the related party in time for repayments of the bank borrowings.

Liquidity and interest risk tables

The following tables details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay and the undiscounted amount are derived from the interest rate curve. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the balance sheet date. The contractual maturity is based on the earliest date on which the Company may be required to pay.

15. Financial Instruments (Continued)

Liquidity and interest risk tables (Continued)

	Less than 1 year $	1-5 years $	> 5 years $	Total $
31 March 2023				
Non-interest bearing	-	-	-	-
Variable interest rate instruments	62,500,000	137,500,000	-	200,000,000
Trade payables	1,001,978	-	-	1,001,978
Principal	63,501,978	137,500,000	-	201,001,978
Interest	12,207,567	25,483,786	-	37,691,352
31 March 2022				
Non-interest bearing	-	-	-	-
Variable interest rate instruments	-	200,000,000	-	200,000,000
Trade payables	561,197	-	-	561,197
Principal	561,197	200,000,000	-	200,561,197
Interest	7,958,163	19,437,950	-	27,396,113

The following table details the Company's expected maturity for its non-derivative financial assets (Refer Note 5). The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on non-derivative financial assets is necessary to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

	Less than 1 year $	1-5 years $	> 5 years $	Total $
31 March 2023				
Investments	5,908,905	-	-	5,908,905
Floating interest rate instruments	62,500,000	137,500,000	-	200,000,000
Loans to others	65,887,255	-	-	65,887,255
Cash and bank balances	3,116,495	-	-	3,116,495
Trade and other receivables	3,255,997	-	-	3,255,997
	140,668,652	137,500,000	-	278,168,652
31 March 2022				
Investments	5,908,905	-	-	5,908,905
Floating interest rate instruments	-	200,000,000	-	200,000,000
Trade and other receivables	2,157,133	-	-	2,157,133
Loans to other group entities	62,427,413	-	-	62,427,413
Cash and bank balances	3,921,402	-	-	3,921,402
	74,414,853	200,000,000	-	274,414,853

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16. Related party transactions

31 March 2023

	Immediate Parent	Fellow Subsidiary
Transactions	$	$
Guarantee Commission Expense	(2,000,000)	-
		-

31 March 2022

	Immediate Parent	Fellow Subsidiary
Transactions	$	$
Interest income	-	1,060,665
Guarantee Commission Expense	(1,750,000)	-
Dividends paid	3,000,000	-
Balances		
Loans given	-	62,427,413

The immediate parent entity is Gulf Oil Corporation Limited and fellow subsidiary is Gulf Oil International Limited.

17. Auditor's remuneration

Fees to PBG Associates (London) Ltd for the audit of the Company's annual accounts were $36,000 including VAT . No non-audit fees were paid to PBG Associates (London) Ltd for the year ended 31 March 2023. Audit fees expense of the current year also includes additional expenses of $ 12,260 paid to previous auditor KPMG Audit LLC for the year ended 31 March 2022 (31 March 2022 $39,900).

18. Parent and ultimate parent undertaking

Gulf Oil Corporation Limited (GOCL) incorporated in India is the immediate parent company of this Company throughout the financial period. The financial statements of GOCL are available at its registered office at Kukatpally, Hyderabad, India. The ultimate parent company of the Company is Amas Holding SPF, a company incorporated in Luxembourg.

19. Post Balance Sheet Events

There are no post balance sheet events to report.

20. Previous Year figures

Previous year figures have been rearranged/ regrouped/ reclassified wherever considered necessary to facilitate comparison with the current year figures.