



HPOIL GAS PRIVATE LIMITED

(A Joint Venture of HPCL & OIL)

Annual Report | 2025-2026

CLEAN ENERGY.
BETTER FUTURE.
STRONGER TOMORROW.

FUELLING A GREENER TOMORROW



PNG DOMESTIC



Comfort in
Every Home



PNG COMMERCIAL



Powering
Businesses
Sustainably



PNG INDUSTRIAL



Energy for
Progress



CBG



From Waste
to Wealth
For a Better
Planet



**SUSTAINABLE
OPERATIONS**
For a Cleaner Planet



**COMMUNITY
COMMITMENT**
For a Better Society



**SAFETY
FIRST**
Always & Everywhere



**VALUES THAT
DRIVE US**
Integrity. Care. Excellence.

ABOUT US

HPOIL Gas Private Limited (HOGPL), established on 30th November 2018, as a joint venture company of two Maharatna companies i.e. Hindustan Petroleum Corporation Limited (HPCL) and Oil India Limited (OIL).

Petroleum & Natural Gas Regulatory Board of Ministry of Petroleum & Natural Gas has awarded the 'Authorization' for implementation of CGD to lay build and develop City Gas Distribution Network in Kolhapur, Ambala-Kurukshetra and in Nagaland with Govt. Of India trust that aims at better quality of life with cleaner fuel in the form of Piped Natural Gas (PNG) and Compressed Natural Gas (CNG) which is a great boon for humanity.

HOGPL is committed to supporting a cleaner and more sustainable energy future by promoting natural gas as a cleaner fuel. Through the expansion of its CGD network and wider adoption of PNG and CNG, HOGPL aims to contribute to reduced emissions, improved air quality, energy efficiency and responsible growth, while creating a healthier and sustainable environment for future generations.

VISION

To be a leading City Gas provider touching the lives of people through innovative technology, enhancing stakeholder's value and striving for sustainable future.

MISSION

HPOIL Gas is committed to provide clean energy to domestic, commercial, industrial and transport sectors by adopting and benchmarking world class industry practices and good corporate governance so as to exceed customer's expectations.





CORPORATE INFORMATION

COMPANY SECRETARY

Ms. Kunjal Singh

REGISTERED OFFICE:

Marathon Futurex, 10th Floor, N.M. Joshi Marg, Lower Parel (East), Mumbai- 400013

COMMUNICATION OFFICE:

Kesar Solitaire, 2501-2503, Plot No. 05, Sector 19, Palm Beach Service Road, Sanpada, Navi Mumbai- 400705

KOLHAPUR GA OFFICE:

Revolution Complex, (Near Dabholkar Corner, Below Hotel Three Leaves) UG Floor- CS No. 324, Station Road, Kolhapur-416001.

AMBALA GA OFFICE:

Cellone Bhawan, 107 Mall Road, Ambala Cantt -133001, (Near BSNL circle office), Haryana.

KURUKSHETRA GA OFFICE

BSNL Telephone Exchange, Sector 13, Kurukshetra- 136118, Haryana.

BANKERS:

Canara Bank
ICICI Bank Limited

STATUTORY AUDITORS:

M/s. A S L & Co.,
Chartered Accountants,
Mumbai.

COST AUDITORS:

M/s. GSR & Associates
Cost Accountants
Mysuru.

INTERNAL AUDITORS:

M/s. S. Poddar & Co.
Chartered Accountants,
Mumbai.

SECRETARIAL AUDITORS:

M/s. RJSY & Associates,
Company Secretaries,
Mumbai

REGISTRAR AND SHARE TRANSFER AGENTS

MUFG Intime India Private Limited,
Vikhroli (West), MUMBAI - 400083



BOARD OF DIRECTORS



ShriKVinod
Chairman



Shri V V Muralikrishna
Director



Shri S Maharana
Director till 18.04.2025



Shri Abhijit Das
Director w.e.f. 25.04.2025



Shri Ranjan Goswami
Director till 28.02.2026



Shri Raghunath Mishra
Director w.e.f. 01.03.2026

KEY MANAGERIAL PERSONNEL



Shri V S Chakravarthi
Chief Executive Officer



Shri Goutam Maji
Chief Financial Officer

CHAIRMAN'S MESSAGE



Dear Shareholders,

Good Morning to you all!

On behalf of the Board of Directors of your Company, it gives me immense pleasure to welcome you all to the 8th Annual General Meeting of HPOIL Gas Private Limited and to present the performance and achievements of your Company for the financial year 2025-26.

FY 2025-26 has been a year of strong growth, operational consolidation, financial resilience, and strategic progress for your Company. We continued to strengthen our City Gas Distribution (CGD) business with a focus on customer service, cost optimization, digital transformation, sustainability and long-term value creation.

India continues to be one of the fastest-growing major economies, supported by domestic demand, infrastructure development, industrial expansion, and urbanization. At the same time, the energy sector is undergoing significant transformation, with greater emphasis on energy security, affordability, sustainability and increasing the share of natural gas in the energy mix.

The CGD sector has an important role in this transition by providing cleaner and efficient fuel for households, industries, commercial establishments, and transportation. The expansion of CGD networks, increasing availability of natural gas and Government initiatives promoting Compressed Biogas (CBG) present significant opportunities for the sector.

Against this backdrop, HPOIL Gas remains committed to building a sustainable, resilient and financially sound business while contributing meaningfully to India's energy transition.

Performance of Your Company

I am pleased to report that FY 2025-26 was a year of significant growth and operational progress for HPOIL Gas.

Total gas sales increased to 57.22 MMSCM, compared with 47.38 MMSCM in FY 2024-25 registering a growth of 20.77%. CNG sales increased by 21% to 45.42 MMSCM, while PNG sales grew by 20.29% to 11.80 MMSCM. This growth reflects increasing customer adoption and continued expansion across the industrial, commercial, domestic and CNG segments.

Our revenue from sales increased by 23.70% to Rs. 349.95 crore, compared with Rs. 282.90 crore of the previous year, while EBITDA increased by 11.72% to Rs. 59.58 crore, compared with Rs. 53.33 crore. These results demonstrate our ability to grow volumes while maintaining financial and operational discipline.

A particularly encouraging development has been our progress in CBG integration and sustainability. CBG sales increased from 1.05 MMSCM to 3.17 MMSCM, representing growth of approximately 202%, and accounted for 5.54% of total gas sales, well above the mandatory blending requirement of 1%. We will continue to work with CBG producers and other stakeholders to further increase renewable gas in our portfolio.



We also achieved meaningful cost and financing efficiencies. Optimization of Operations & Maintenance activities resulted in savings of approximately Rs. 0.58 crore during the year. Further, refinancing of existing loan from NABFID is expected to result in savings and strengthening our financial position and competitiveness.

Our customer base continued to expand with the addition of 16 industrial customers, 33 commercial customers and 5 CNG stations during the year. The continued conversion of customers from conventional fuels to natural gas provides a strong foundation for sustainable demand.

The Ambala-Kurukshetra Geographical Area recorded total sales of 24.11 MMSCM, compared with 21.65 MMSCM in FY 2024-25, supported by growth across domestic, commercial, industrial and CNG segments. A notable achievement was the commencement of gas supply to the Haryana Tourism Department's prestigious Mahabharat Theme Park at Jyotisar, reflecting the growing acceptance of natural gas across diverse applications.

We also made significant progress in digital transformation and customer experience. The Company's website and customer application were revamped, with facilities including a CNG station locator and self-billing for domestic PNG customers. Approximately 90% of payments are now made through digital modes, supporting greater convenience, transparency and efficiency.

Our focus on governance and financial discipline also remained strong. The CAG audit for FY 2024-25 was completed with NIL comments and the Company's AA credit rating with Stable outlook was retained, including after the addition of the Nagaland project.

Safety remains our highest priority and we remain committed to maintaining the highest standards of safety, regulatory compliance and operational excellence. During the year, T4S and IMS audits were successfully conducted at both Geographical Areas and 210 HSE training programmes were carried out to strengthen safety awareness and emergency preparedness.

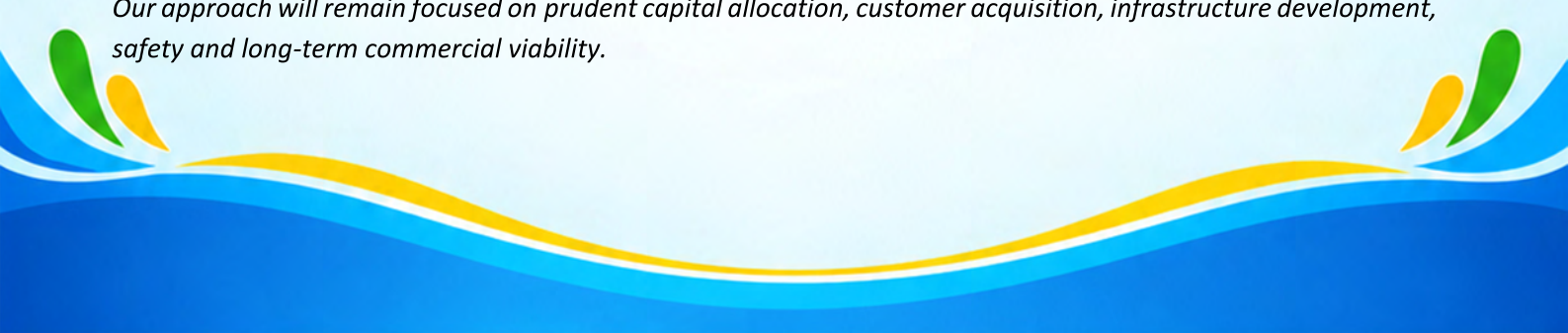
Future Outlook

Looking ahead, we see significant opportunities for HPOIL Gas and the CGD sector.

Our key priorities will be to:

- Increase CNG and PNG sales and expand our customer base, particularly in the industrial and commercial segments.*
- Expand and optimize the CNG station network and convert Daughter Booster Stations into Online Stations wherever technically and commercially feasible.*
- Accelerate pipeline expansion to improve network connectivity and reduce transportation costs.*
- Further increase CBG integration and develop long-term partnerships with CBG producers.*
- Maintain focus on cost optimization, competitive procurement, financing efficiency, digital transformation and operational excellence.*
- Continuing the development of the Nagaland Geographical Area, with emphasis on infrastructure creation and commencement of gas supply operations as natural gas becomes available.*

Our approach will remain focused on prudent capital allocation, customer acquisition, infrastructure development, safety and long-term commercial viability.





The strong performance of FY 2025-26 - 57.22 MMSCM of gas sales, Rs. 349.95 crore of revenue, Rs. 59.58 crore of EBITDA, strong CNG and PNG growth, and a more than five-fold increase in CBG volumes - gives us confidence in the strength and potential of our business.

At the same time, we recognize that the energy landscape is evolving rapidly. Competition, gas availability, alternative fuels, technology and changing customer expectations will continue to shape the industry. Our objective is therefore to build HPOIL Gas into an efficient, customer-centric, financially disciplined, environmentally responsible and future-ready Company capable of delivering sustainable long-term value.

Acknowledgements

Before I conclude, I would like to express my sincere gratitude to our shareholders for their continued confidence and support. I also place on record my appreciation to my fellow Board Members for their guidance and valuable contributions.

I thank the Ministry of Petroleum and Natural Gas, PNGRB, Central and State Government authorities, local administration, financial institutions, gas suppliers, contractors, business associates and all other stakeholders for their continued cooperation.

Most importantly, I extend my heartfelt appreciation to the employees of HPOIL Gas Private Limited. Your dedication, professionalism and commitment have been instrumental in the Company's progress.

Finally, I thank our customers for their continued trust in HPOIL Gas. Your confidence inspires us to continuously improve our products, services, reliability and customer experience.

As we move forward, I am confident that with the collective efforts of our employees, management, Board, shareholders and stakeholders, HPOIL Gas Private Limited will continue to grow responsibly and contribute meaningfully to India's transition towards a cleaner, more secure and sustainable energy future.

I look forward to your continued support and confidence in the years ahead.

Thank you

K Vinod
Chairman



From CEO's Desk



Dear Valued Shareholders,

As we celebrate another milestone year, I am honoured to share our remarkable journey with exceptional performance and vision for a sustainable energy future. We founded our vision and mission to provide clean, safe, reliable, and eco-friendly energy to the customers in our Geographical Areas.

Outstanding Financial Performance

HPOIL achieved a remarkable gross revenue of Rs. 351 Crore in FY 2025-26, demonstrating our commitment to growth and operational excellence. This milestone reflects our strategic focus on expanding market presence while maintaining the highest standards of service quality.

Operational Excellence and Growth

I am happy to inform the exceptional operational achievements during FY 2025-26. During the year we have commercialized 5 new CNG stations, enrolled 16 industrial and 33 commercial customers and the total domestic customer base increased to 60663 numbers. The total pipeline network laid as of 31st March 2026 stood at 1,585 km providing a strong foundation for further expansion of our City Gas Distribution (CGD) operations.

Our Sales performance has been exceptional with a growth of 21% in CNG from 37.57 MMSCM to 45.42 MMSCM, during the year, while PNG volumes increased from 9.81 MMSCM to 11.80 MMSCM. The sales growth shows our commitment towards growth with exceptional customer service. The Government of India is according highest priority for CBG blending as part of sustainable energy policy and for energy security of the country. Towards this vision, HPOIL achieved CBG blending of more than 5.5% during the year, against mandatory target of 1% prescribed by the Government of India.

Corporate Social Responsibility:

HPOIL spent Rs. 17 lakhs towards various social development initiatives. These initiatives included the provision of solar lights at Mouje Vadgaon Panchayat under the Kolhapur GA, installation of pure drinking water facilities with water coolers at six schools under the Ambala-Kurukshetra GA, and contribution towards the PM CARES Fund.

Digital Transformation and Innovation:

HPOIL's commitment to innovation and technology implementation has progressed significantly with various new initiatives. We made advancements in our ERP system by implementing project modules, modifications in Finance and control mechanisms. Additional digital initiatives included self-billing facility for domestic customers, Electronic Document management system, improved GIS system and integrated digital payment platforms through BBPS, BHIM and UPI for completely cashless transactions.

Employee Welfare and Team Building:

Human capital is the most important asset for HPOIL. Various activities have been carried out during FY 2025-26, which included International Yoga Day celebrations, family outings, several national day celebrations with families. We implemented revised promotion policy, salary revisions, and streamlined performance management systems.

Future roadmap:

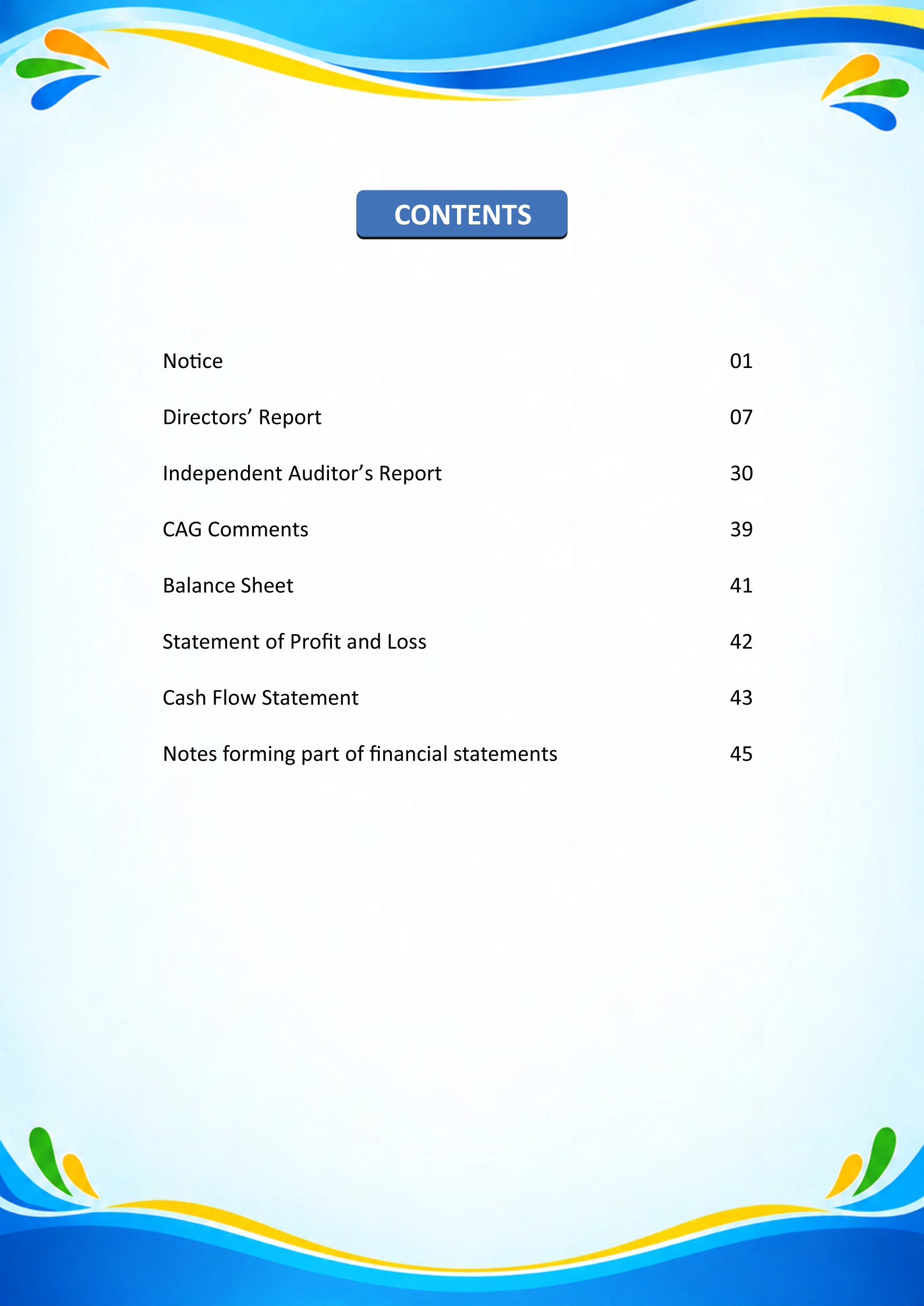
Our future focus and strategic priorities will be focussed on four major areas: Sweating of assets to maximize revenues from existing areas, expanding our City Gas Distribution network to new regions i.e. Nagaland, leveraging digital technologies for customer-centric services and operational excellence, the highest standards of safety, integrity and transparency to align our growth with India's energy security and net-zero goals.

With the emerging geo-political situation across the world, CGD sector is poised for rapid expansion driven by Govt of India's vision for energy security and net-zero targets, coupled with demand for cleaner fuels. The foundation we have laid this year positions us excellently to capitalize on emerging opportunities in the sector, which continues to play a pivotal role in India's transition to a gas-based economy. As we move forward, HPOIL is committed to building a stronger and larger company, which is respected for its values and trusted for its service. With our footprints in Nagaland and growing pipeline network and expanding CNG infrastructure, HPOIL is well positioned to contribute meaningfully to this national agenda. With collective effort, innovation, and determination, I am confident that HPOIL will scale even greater heights in the years ahead.

I extend deepest gratitude to our promoters HPCL and OIL, the MOPNG, PNGRB, State Governments, Board of Directors, and all stakeholders for their unwavering support. Most importantly, I thank every member of the HPOIL family-our dedicated employees and their families, whose contributions make this excellent journey possible.

Warm regards,

*V S Chakravarthi
Chief Executive Officer
HPOIL Gas Private Limited*

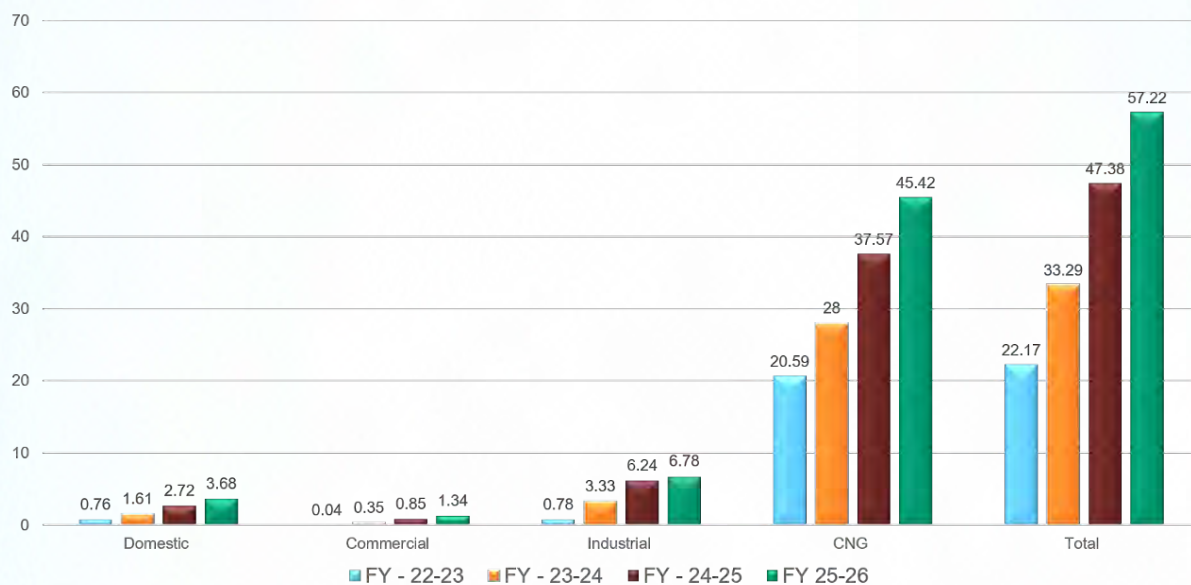


CONTENTS

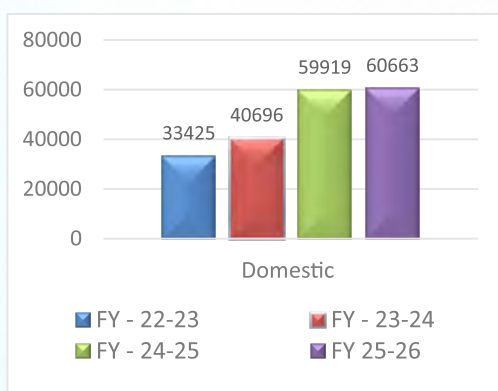
Notice	01
Directors' Report	07
Independent Auditor's Report	30
CAG Comments	39
Balance Sheet	41
Statement of Profit and Loss	42
Cash Flow Statement	43
Notes forming part of financial statements	45

PERFORMANCE HIGHLIGHTS

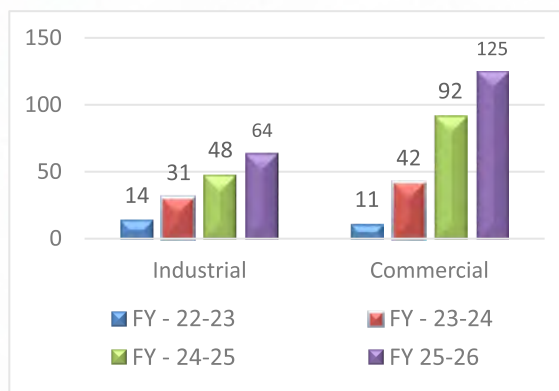
Sale Volume (MMSCM) – HPOIL



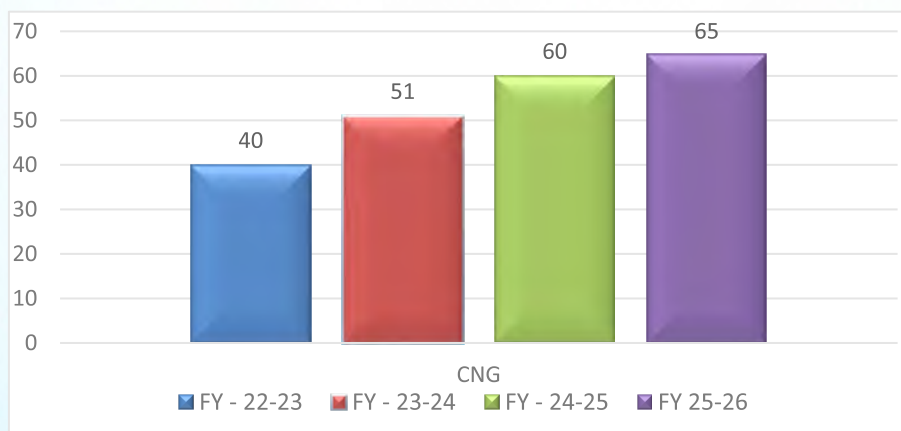
PNG Domestic Connections (in Nos)



Industrial & Commercial Connections (in Nos)



CNG Stations (in Nos)



NOTICE

NOTICE is hereby given that the 8th Annual General Meeting of the members of HPOIL Gas Private Limited ("Company") will be held on shorter notice on Tuesday, 29th September 2026 at 03:00 PM at Kesar Solitaire, 2501-2503, Plot No. 05, Sector 19, Palm Beach Service Road, Sanpada, Navi Mumbai – 400705; in person or through Video Conference (VC) or Other Audio-Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial Statements for the Financial Year ended 31st March, 2026 and the Reports of the Board of Directors and Auditors thereon and to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 129, 134 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Financial Statements of the Company comprising the Balance Sheet as at March 31, 2026, Statement of Profit and Loss, Cash flow statement, Statement of Changes in Equity, for the year ended as on March 31, 2026, together with schedules and notes forming part of the accounts and the Reports of the Board of Directors and Auditors thereon, as presented, be and are hereby received, considered and adopted."

2. **To fix the remuneration of Statutory Auditors of the Company and to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Section 142 of the Companies Act, 2013 and relevant rules thereto, consent of the Members of the Company, be and is hereby accorded to authorize the Board of Directors of the Company to decide and fix the remuneration / fees of the Statutory Auditor(s) of the Company, appointed by the Comptroller & Auditor General of India for the financial year 2026-27."

SPECIAL BUSINESS:

3. **APPOINTMENT OF MR. RAGHUNATH MISHRA (DIN: 11419051) AS A DIRECTOR ON THE BOARD:**

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 Section 149, 152 and any other applicable provisions of the Companies Act 2013, any rules made there under, Mr. Raghunath Mishra (DIN: 11419051), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 01st March, 2026 in terms of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and whose terms of office expires at this Annual General Meeting, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT the CEO, CFO and Company Secretary of the Company be and are hereby authorised severally to do all such acts, deed, matters and things as may be required or considered necessary or incidental to implement this resolution"

4. **PAYMENT OF REMUNERATION OF THE COST AUDITOR FOR THE FINANCIAL YEAR 2026-27:**

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 Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory

modification(s) or re-enactment(s) thereof, for the time being in force), the payment of total remuneration of Rs.47,200/- (Rupees Forty-Seven Thousand Two Hundred Only) per annum, inclusive of XBRL Charges, out of pocket expenses and taxes, at actuals to M/s. Ritu Shekhawat & Associates, Cost Accountants (Firm Reg. No. 004965), who was appointed as Cost Auditor to conduct the Audit of the cost records of the Company, as per the scope agreed, for the FY 2026-27, be and is hereby ratified and confirmed.

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

5. SHIFTING OF REGISTERED OFFICE OF THE COMPANY FROM LOWER PAREL, MUMBAI TO SANPADA, NAVI MUMBAI:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 12 and 13 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) read with relevant rules and applicable provisions if any, and subject to the confirmation of Regional Director, the consent of the members of the Company be and is hereby accorded for shifting the Registered Office of the Company, from Marathon Futurex, 10th Floor, N M Joshi Marg, Lower Parel (East), Mumbai- 400 013 to Kesar Solitaire, 2501-2503, plot no. 05, Sector 19, Palm Beach Service Road, Sanpada, Navi Mumbai- 400705, which is situated in the state of Maharashtra but falls within jurisdiction of the different Registrar of Companies i.e. from jurisdiction of RoC Mumbai to RoC Navi Mumbai)

RESOLVED FURTHER THAT any Director of the Company or the Company Secretary be and is hereby authorized to file necessary e-forms with the Registrar of Companies (RoC, Mumbai) or Regional Director and to make necessary updates in the registers, stationery, and statutory records of the Company."

By order of the Board of Directors
HPOIL GAS Private Limited

Sd/-
Kunjal Singh
Company Secretary
Membership Number: A36722
Reg. Office: Marathon Futurex,
10th Floor, N. M Joshi Marg,
Lower Parel (East), Mumbai- 400013.

Date: 19.09.2026

Place: Navi Mumbai

NOTES

Ministry of Corporate Affairs (“MCA”) vide its General Circulars Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 02/2022 dated May 05, 2022, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023, 09/2024 dated September 19, 2024 and the latest being the general circular, 03/2025 dated September 22, 2025, (‘MCA Circulars’) has permitted the holding of the annual general meeting through Video Conferencing (“VC”) or through Other Audio-Visual Means (“OAVM”). In terms of the said circulars, the 8th AGM of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM. In accordance with the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) read with Clarification/ Guidance on applicability of SS-2 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Kesar Solitaire, 2501-2503, Plot No. 05, Sector 19, Palm Beach Service Road, Sanpada, Navi Mumbai – 400705 and which shall also be deemed venue of the AGM.

1. As per the provisions of Clause 3.A.II. of the General Circular No. 20/2020 dated May 05, 2020, the matters of special business as set forth in the accompanying Notice, are considered to be essential by the Board and hence forming part of this Notice.
2. The relevant statement pursuant to section 102 of the Companies Act, 2013, in respect of special business to be transacted at the meeting, is annexed hereto and forms part of this notice.
3. Attendance of the members attending the AGM in person and through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
4. When a meeting is held in person, the member have right to appoint a proxy. The proxy form is attached as an Annexure to this Notice. The proxy in order to be effective, the proxy form must be deposited at the Registered office of the Company not later than 48 hours before the commencement of the Meeting. The Route Map of the venue of the AGM is also attached as an Annexure to this Notice. When a meeting is held through VC/OAVM, the facility for appointment of Proxy by the members is not available. Accordingly, proxy provision and the Route Map provision is not applicable.
5. Corporate Members intending to send their authorized representatives to attend the meeting pursuant to section 113 of the Companies Act 2013 are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
7. The facility of joining the AGM through VC/OAVM will be opened 15 minutes before and will be opened upto 15 minutes after the scheduled start time of the AGM.
8. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company through email on cs@hpoilgas.in in atleast a week in advance. The same will be replied by the Company suitably.
9. The Statutory Registers will be available electronically for inspection by the Members during the AGM, Members seeking to inspect such documents can send their requests to cs@hpoilgas.in where the meeting is held in person, the statutory registers will be available for inspection by the Members during the continuance of the meeting.
10. When a poll is demanded by any member during the meeting on any resolution, members may cast their vote through email on cs@hpoilgas.in

11. Instructions relating to access and participation in the meeting will be made available to the members through email on their designated email address at least one day before the meeting.
12. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those members whose email addresses are registered with the Company or Registrar and Transfer Agents (RTA)/Depositories. Members may note that the Notice and Annual Report 2025-26 will also be available on the Company's website www.hpoilgas.in.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3: APPOINTMENT OF MR. RAGHUNATH MISHRA (DIN: 11419051) AS A DIRECTOR ON THE BOARD:

Mr. Raghunath Mishra (DIN: 11419051) was appointed as an Additional Director of the Company w.e.f. 1st March, 2026 who will hold office up to ensuing Annual General Meeting in terms of provisions of Section 161 of the Companies Act, 2013,

Mr. Raghunath Mishra completed his M.A. in Economics from Ravenshaw College, Cuttack, in 1988 and his M.Phil. from the Centre for Study of Regional Development, Jawaharlal Nehru University, New Delhi, in 1991. He was awarded the Junior Research Fellowship by the University Grants Commission in 1991 and the Netherlands Fellowship Programme in 2002 for participating in a workshop on "Urban Management: Planning and Finance" at the Institute for Housing and Urban Development Studies, Erasmus University Rotterdam, Netherlands, where he was awarded a Diploma with Commendation. Mr. Mishra has 17 years of experience (1992–2009) with Housing and Urban Development Corporation Ltd. (HUDCO), where he worked across various functional domains, including Economic Policy and Analysis, Corporate Planning, Resource Mobilisation, CMD Secretariat and Credit Rating. Since November 2009, he has been associated with Oil India Limited in the Business Development domain and is currently positioned as Executive Director (Business Development). His key contributions include acquisition, management and divestment of overseas E&P opportunities and facilitating OIL's diversification into non-E&P business segments such as renewable energy, City Gas Distribution and critical minerals. He has also handled matters relating to strategy formulation, risk management and development of MIS. He has served as a visiting faculty at PDP, Gandhinagar, and contributed to strengthening industry-academia interaction and knowledge transfer.

The Board feels that the presence of Mr. Mishra on the Board is desirable and would be beneficial to the Company and therefore recommends the resolution stated in item no. 3 for appointment of Mr. Raghunath Mishra (DIN: 11419051) as Director for the approval of the members.

Mr. Raghunath Mishra (DIN: 11419051) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and have given his consent to act as a Director.

Mr. Raghunath Mishra (DIN: 11419051) or his relatives, none of the other Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

Details of Director proposed to be appointed: (Secretarial Standards on General Meetings)

Sr.No.	Particulars	Details
1.	Name of the Director	Raghunath Mishra
2.	DIN	11419051
3.	Age	59
4.	Qualification	M.Phil.
5.	Date of 1 st Appointment on the Board	01-03-2026
6.	Shareholding in the Company	NIL

7.	Relationship with other Director, Manager and Key Managerial Personnel of the Company	Not Applicable
8.	Number of Meetings attended during the Year	Number of meetings entitled to attend: 1 Number of meetings attended: 1
9.	Directorship, Membership/Chairmanship of other Boards	1. North East Gas Distribution Company Limited 2. Oil Green Energy Limited

The Board recommends the said resolution to be passed as an **Ordinary Resolution**.

ITEM NO. 4: PAYMENT OF REMUNERATION OF THE COST AUDITOR FOR THE FINANCIAL YEAR 2026-27:

The Board as its meeting held on 24th April, 2026, has appointed of M/s Ritu Shekhawat & Associates, Cost Accountants (Firm Reg. No. 004965) as Cost Auditor for conducting the audit of the Cost records of the Company for the financial year 2026-27 at a remuneration of Rs. 47,200/- per annum (Rupees Forty-Seven Thousand Two Hundred Only) inclusive of XBRL charges, out of pocket expenses and taxes.

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors must be ratified by the members of the Company.

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at item no. 4 of the notice for ratification of the remuneration payable to the Cost Auditor for conducting the audit of the cost records of the Company for the financial year 2026-27 at a remuneration of Rs. 47, 200/- per annum, inclusive of XBRL charges, Out of Pocket Expenses and taxes.

None of the Directors, Key Managerial personnel, and /or their relatives, is /are interested or concerned, financially or otherwise, in the resolution.

The Board recommends the Resolution set at Item no. 4 of the notice for your ratification by way of an **Ordinary Resolution**.

ITEM No. 5: SHIFTING OF REGISTERED OFFICE OF THE COMPANY FROM LOWER PAREL, MUMBAI TO SANPADA, NAVI MUMBAI:

The present Registered Office of the Company is situated at Marathon Futurex, 10th Floor, N. M. Joshi Marg, Lower Parel (East), Mumbai – 400013.

The Board of Directors of the Company, at its meeting, considered and approved the proposal to shift the Registered Office of the Company to Kesar Solitaire, 2501-2503, Plot No. 05, Sector 19, Palm Beach Service Road, Sanpada, Navi Mumbai – 400705.

The proposed shifting of the Registered Office is considered to be in the best interests of the Company for, inter alia, the following reasons:

1. The existing Registered Office premises at Lower Parel are owned by Hindustan Petroleum Corporation Limited, Promoter Company, whereas the head office and principal administrative activities of the Company are situated at Sanpada, Navi Mumbai. Shifting the Registered Office to Sanpada will enable the Company to maintain a single common address for its principal administrative and official activities and facilitate effective official communication.

2. Consolidation of the Registered Office and head office at one location will facilitate more efficient management of the day-to-day affairs of the Company.
3. Maintaining the statutory registers, books of account, records and other statutory documents at a single location will facilitate better administration, record-keeping and compliance.

The proposed shifting of the Registered Office from Lower Parel, Mumbai to Sanpada, Navi Mumbai is outside the local limits of the city of Mumbai and is outside the jurisdiction of the Registrar of Companies, Mumbai. This process requires confirmation of the Regional Director. Accordingly, the approval of the members by way of a **Special Resolution** is being sought in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

The Board recommends the Special Resolution set out at Item No. 5 of the accompanying Notice for approval by the members.

None of the Directors of KMP of the Company are in any way, concerned or interested financially or otherwise, in the resolution.

By order of the Board of Directors
HPOIL GAS Private Limited

Sd/-
Kunjal Singh
Company Secretary
Membership Number: A36722
Reg. Office: Marathon Futurex,
10th Floor, N. M Joshi Marg,
Lower Parel (East), Mumbai- 400013.

Date: 19.09.2026
Place: Navi Mumbai

DIRECTORS' REPORT

To,
The Members,

On behalf of the Board of Directors, it gives me immense pleasure to present the Eighth Annual Report of your Company, detailing the business operations and financial performance for the Financial Year ended 31st March, 2026.

The financial year 2025-26 was marked by a challenging business environment, primarily due to elevated input gas costs arising from geopolitical disruptions and a reduction in the allocation of domestic gas under the Administered Price Mechanism (APM). Despite these headwinds, your Company continued to demonstrate operational resilience by maintaining steady business growth, expanding its infrastructure, and strengthening its presence in the authorised Geographical Areas.

The performance, key achievements, and various initiatives undertaken during the year, reflecting the state of affairs of the Company, are outlined below:

1. Financial highlights:

(Amount in INR lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Total Income	35,112.36	28,526.45
Total Expenditure	29,154.85	23,193.39
Profit Before Depreciation, Interest and Tax (PBDIT)	5,957.51	5,333.06
Less: Depreciation and amortization expenses	3,116.79	2,172.74
Less: Finance (Interest) Costs	2,892.56	2,210.54
Less: Tax Expenses	-143.71	20.63
Profit/Loss after tax (PAT)	91.87	929.15
Other comprehensive income, net of tax	0.78	0.39
Total Comprehensive Income	92.65	929.54
Appropriations:		
Balance carried forward to Balance Sheet	92.65	929.54

2. Performance highlights:

a. Financial Performance:

During the year under review, your Company reported total revenue of Rs. 35,112.36 lakhs for FY 2025-26, compared to Rs. 28,526.45 lakhs in the previous financial year, reflecting a healthy growth of 23.09%. This growth was primarily driven by strong performance in CNG & PNG- Industrial segments, supported by the strategic expansion of retail infrastructure through commissioning CNG stations at Oil Marketing Company (OMC) outlets across both Geographical Associations (GAs). In addition, focused marketing initiatives contributed significantly to customer acquisition and retention. The increase in revenue was further aided by revisions in gas prices across all business segments, while the Company continued to

maintain competitive pricing compared with alternative retail fuels in and around its operational areas.

The Company's Profit Before Depreciation and Tax (PBDIT) stood at Rs. 5,957.51 lakhs during FY 2025-26 as against Rs. 5,333.06 lakhs in FY 2024-25 registering an increase of 11.71%. The improvement in PBDIT was primarily driven by higher operating income and enhanced operational efficiencies during the year. Further, the Company successfully refinanced its existing loan from National Bank for Financing Infrastructure and Development (NaBFID) during the year, resulting in optimization of finance costs and strengthening of the Company's financial position.

The Company continued to invest in expanding its City Gas Distribution (CGD) network and strengthening its infrastructure, resulting in higher depreciation and finance costs. Further, elevated input gas costs and a reduction in allocation of domestic gas under the APM, impacted overall profitability. Nevertheless, the Company remained profitable and reported a Profit After Tax (PAT) of Rs. 91.87 lakhs for FY 2025-26. Although the PAT was lower than that of the previous financial year, the Company's operational performance remained resilient, underpinned by strong revenue growth, an expanding customer base, and continued infrastructure development.

b. Physical performance:

i. Compressed Natural Gas Business (CNG)

During the year, your company commissioned 05 new CNG stations, increasing the total number of operational CNG dispensing stations to 65 as of March 31, 2026, including one City Gas Station (CGS) at both GAs. This expansion contributed to a significant growth in CNG sales, which rose to 32,642 MT in FY 2025-26, reflecting a growth of approximately 21% over the previous year.

Specifically, CNG sales at the GA level 13641.58 MT in Ambala-Kurukshetra GA and 19000.85 MT in Kolhapur GA.

▪ Compressed Bio-Gas (CBG)

The CBG-CGD Synchronization Scheme, introduced by the Government of India in October 2021, aims to promote the use of CBG by integrating it with conventional natural gas in the CGD network. Under the scheme, GAIL (India) Limited facilitates the procurement of CBG from approved producers and supplies it to CGD entities across the country. The initiative supports the Government's objective of enhancing energy security, reducing dependence on fossil fuels, promoting a circular economy through the utilization of agricultural and organic waste, and lowering greenhouse gas emissions. In line with the Sustainable Alternative Towards Affordable Transportation (SATAT) initiative, the Ministry of Petroleum and Natural Gas (MoPNG) has mandated phased blending of CBG with conventional natural gas in CGD networks. Effective from FY 2025-26, CGD entities are required to achieve a minimum blending obligation of 1%, which will progressively increase to 5% by FY 2028-29.

Demonstrating its commitment to sustainability and clean energy adoption, the Company commenced CBG blending ahead of the mandatory implementation timeline. During FY 2025-26, CBG constituted approximately 5.54% of the Company's total gas volume, way more than the prescribed mandatory blending obligation of 1%. Building on this achievement, the Company is actively pursuing additional CBG sourcing arrangements and network integration initiatives with the objective of progressively increasing the blending ratio in line with, and wherever feasible ahead of, the regulatory targets.

The Company has partnered with 6 nos. (Six) of CBG producers under the CBG-CGD Synchronization Scheme. CBG sales commenced in August 2023, during FY 2025-26, the Company recorded CBG sales of 2235.53 MT, which a growth rate of 202% from FY 24-25. Reflecting the Company's continued efforts towards expanding renewable gas utilization and promoting green mobility across its CGD network. The Company remains committed to further strengthening its CBG portfolio through strategic tie-ups with additional producers and expansion of dispensing infrastructure to support the growing demand for sustainable fuels.

The company supports India's transition to a sustainable energy future by integrating CBG into the natural gas infrastructure

ii. Piped Natural Gas (PNG) Business

PNG- Domestic:

Natural Gas is increasingly being adopted as the preferred cooking fuel in Indian households due to its efficiency, eco-friendliness, and convenience when compared to conventional fuels like LPG. In line with this trend, your company has maintained a strong focus on expanding its Domestic PNG operations across the Kolhapur and Ambala-Kurukshetra GAs.

Your company added 4,864 new domestic PNG registrations during FY 2025-26. As a result, the total domestic PNG registrations increased from 72,723 in FY 2024-25 to 77,587 in FY 2025-26, registering a 6.69% growth. The cumulative number of domestic PNG flame conversions reached 24,719, comprising 12,863 connections in Ambala-Kurukshetra and 11,856 connections in Kolhapur GA. The expansion of the domestic PNG customer base and the increase in active flame conversions contributed to a significant rise in domestic PNG gas sales volume, which increased from 27.23 lakh SCM in FY 2024-25 to 36.76 lakh SCM in FY 2025-26, registering a healthy growth of 35%.

Additionally, under the National PNG Drive initiated by PNGRB, your company was entrusted with the responsibility of increasing the number of billed domestic PNG customers. Rising to the challenge, HPOIL Gas launched a coordinated awareness and outreach campaign involving all departments. Informative pamphlets and stickers were distributed across residential societies and colonies to educate potential customers about the benefits of PNG, ongoing promotional schemes, and the cost savings of PNG compared to LPG cylinders. This proactive initiative not only accelerated customer acquisition but also strengthened PNG's image as a clean, reliable, safe, and economical cooking fuel, contributing to the sustained growth of the domestic PNG customer base.

PNG- Industrial and Commercial:

The Industrial and Commercial (I&C) segments continue to remain key pillars of the Company's product portfolio, second only to CNG in terms of sales volume and long-term growth potential. During FY 2025-26, the Company maintained a strong strategic focus on these high-priority segments, recognizing their significant contribution to revenue generation and overall business expansion.

During the year, your Company achieved a notable milestone with Industrial and Commercial gas sales reaching 8.13 MMSCM, representing a substantial increase over the previous year's sales of 7.09 MMSCM. The customer base also expanded significantly, with the Company now serving 125 commercial and 64

industrial customers, compared to 92 commercial and 48 industrial customers in the previous financial year. This growth reflects the Company's focused marketing efforts, enhanced customer engagement, and its commitment to expanding the reach of clean and reliable natural gas across the Industrial and Commercial sectors.

This impressive growth highlights company's continued commitment to strengthening its presence in the industrial and commercial segments. By prioritizing customer acquisition and deepening service capabilities, the company is effectively leveraging these segments to enhance its overall business performance and broaden its market footprint.

iii. Pipeline Laying

The Company continued to strengthen and expand its gas distribution network during FY 2025-26 by undertaking pipeline laying activities in line with its business expansion plans and regulatory requirements. The expansion of the pipeline infrastructure is aimed at enhancing network reach, facilitating the achievement of Minimum Work Programme (MWP) targets, and enabling the addition of new domestic, commercial, and industrial customers. The Company remains committed to accelerating infrastructure development to improve accessibility, enhance operational efficiency, and support the sustained growth of its City Gas Distribution network.

iv. Nagaland GA:

In the 12th bidding round conducted by the PNGRB, your company successfully secured authorization to develop the City Gas Distribution Network across the entire state of Nagaland. The Company has initiated preparatory activities in Nagaland, including infrastructure planning, stakeholder engagement, and customer outreach. Significant progress has been achieved towards the development of the CGD network, with the construction of the CGS and three CNG stations currently at an advanced stage of completion.

To facilitate the commencement of operations, the Company has executed a Hook-up Agreement with M/s Indradhanush Gas Grid Limited (IGGL) and a Gas Sale Agreement with M/s GAIL (India) Limited, reflecting its proactive approach towards the timely implementation of the project.

The company has started construction activities at City Gate Station and 2 CNG stations at Dimapur and is also planning to commence steel pipeline laying works at the earliest to expedite the development of the gas distribution network. Upon the availability of natural gas through the IGGL pipeline network and completion of the requisite infrastructure, the Company intends to commence gas supply operations in the region. These initiatives reflect the Company's commitment towards the timely development of CGD infrastructure and expansion of clean energy access in the State of Nagaland.

c) Fire Incident During the Year - Investigation, Corrective and Preventive Measures

During the year, the Company dealt with the aftermath of the fire incident that occurred on 25 August 2025 at a domestic customer's premises in Manorama Colony, Kolhapur, which resulted in four burn injuries, including three fatalities. The incident was promptly reported to the Petroleum and Natural Gas Regulatory Board (PNGRB) and all statutory reporting requirements were duly complied with. The Company extended full cooperation with the investigating authorities, constituted Internal Investigation and Enquiry Committees, and undertook a comprehensive review of the incident. Based on the findings, the Company implemented several corrective and preventive measures, including

strengthening contractor management and supervision, enhancing Standard Operating Procedures (SOPs), introducing mandatory safety training and stricter work controls, improving customer awareness initiatives and reinforcing operational monitoring and safety audits. Appropriate contractual and disciplinary actions were initiated against the concerned contractor and personnel, and the Company's responses and compliance reports were submitted to PNGRB. The Board also approved payment of compensation to the affected victims' family in accordance with the directions of the District Collector, Kolhapur, while pursuing reimbursement under the Company's insurance policy. The Company has subsequently received the insurance claim amount from the insurance company towards the eligible claim. The Board remains committed to maintaining the highest standards of safety, regulatory compliance, and operational excellence and will continue to implement necessary measures to prevent recurrence of such incidents.

3. Dividend:

Your Directors' have not recommended any dividend on Equity Shares.

4. Amount transfer to Reserves:

During the year, your Company has not transferred any amount to reserves.

5. Deposits:

During the Financial Year 2025-26, your company did not accept any deposits from the public. This adherence to non-acceptance of deposits aligns with regulatory guidelines and company policies.

In accordance with the Ministry of Corporate Affairs (MCA) notification dated January 22, 2019, which amended the Companies (Acceptance of Deposits) Rules, 2014, your company annually files the requisite return in e-form DPT-3 with the Registrar of Companies. This filing is entering particulars of transactions entered by a Company that are not considered as Deposit as per Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014.

Your company has diligently complied with this requirement, submitting the necessary filings within the prescribed timelines. This ensures transparency and adherence to legal obligations regarding financial transactions involving money or loans received, distinguishing them from deposits under regulatory definitions.

6. Share Capital:

A) Authorized Share Capital:

The Authorized Share Capital of the Company as on 31st March 2026 was Rs.252,00,00,000 (Rupees Two Hundred Fifty-Two Crore Only) consisting of 25,20,00,000 (Twenty-Five Crore Twenty Lakh) equity shares of Rs. 10/- each

Change in Authorized Share Capital:

The Authorized share capital of the company was increased from Rs. 192,00,00,000/- (Rupees One Hundred Ninety-Two Crores Only) consisting of 19,20,00,000 (Nineteen Crore Twenty Lakh) equity shares of Rs. 10/- each to Rs.252,00,00,000 (Rupees Two Hundred Fifty-Two Crore Only) consisting of 25,20,00,000 (Twenty-Five Crore Twenty Lakh) equity shares of Rs. 10/- each vide Extra Ordinary General Meeting dtd 27th May, 2025

B) Issued/Subscribed/Paid-up Share Capital:

As on 31st March 2026, the Issued/Subscribed and Paid Share Capital of the Company was Rs.224,00,00,000 (Rupees Two Hundred Twenty-Four Crore) consisting of 22,40,00,000 (Twenty-Two Crore Forty Lakh) Equity Shares of Rs. 10/- each.

Change in Issued/Subscribed/Paid-up Capital:

During the year, your company came out with Right Issue of 3,20,00,000 (Three Crore Twenty Lakhs) Equity Shares of Rs.10 each aggregating to Rs.32,00,00,000 (Rupees Thirty-Two Crore Only). The allotment of Right Issue was done on 11th July 2025. Consequently, the paid-up share capital of your Company increased to Rs. 224,00,00,000/- (Rupees Two Hundred Twenty-Four Crore) consisting of 22,40,00,000 (Twenty-Two Crore Forty Lakh) Equity Shares of Rs. 10/- each.

Your company has appointed National Securities Depository Limited (NSDL) as a Depository and MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), Mumbai as a Registrar and Transfer Agent (RTA).

7. Material changes and commitments, if any, affect the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

No material changes and commitments affecting the Financial Position of the Company have occurred between the end of the Financial Year 2025-26 to which the Financial Statements relate and the date of this Report.

8. Change in the nature of business:

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

9. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future:

There were no orders passed by any Regulator or Court during the year impacting the going concern status of Company and its future operations.

10. Details in respect of adequacy of internal financial controls with reference to the Financial Statements:

Your Company's management is responsible for establishing and maintaining internal financial controls based on the criteria outlined in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) and as per Section 143 (3)(i) of the Companies Act, 2013. These controls aim to ensure the effectiveness and reliability of financial reporting processes. As of March 31, 2026, the Company asserts that it maintains an adequate internal financial controls system over financial reporting, which was operating effectively in all material respects.

M/s S. Poddar & Co., Chartered Accountants (FRN: 320294E) served as Internal Auditors for the fiscal year 2025-26, assigned with reviewing the efficiency and effectiveness of systems and procedures within the Company. Their assessments included recommendations aimed at enhancing operational efficiencies, ensuring regulatory compliance, and minimizing operational risks across various facets of the company's operations.

Following the completion of their review, M/s S. Poddar & Co. submitted their audit report to the Board of Directors. The Board duly reviewed and accepted the recommendations, which were subsequently implemented efficiently by the management. This proactive approach has contributed to mitigating risks within the organization and bolstering internal controls and governance practices.

11. Details of Subsidiary/Joint Ventures/Associate Companies:

During the year under review, no company has become or ceased to be Subsidiary, Joint Venture or Associate Company. The Company continues to operate as a joint venture company jointly owned by Hindustan Petroleum Corporation Limited and Oil India Limited.

12. Salient features of financial statements of subsidiaries, associate companies and joint ventures:

Not Applicable for the year 2025-26.

13. Finance and Share Capital

a) **Equity Share with differential rights** (*Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014*) – **Not Applicable**

b) **Issue of sweat equity shares** (*Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014*) – **Not Applicable**

c) **Issue of employee stock options** (*Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014*) – **Not Applicable**

d) **Details of the voting rights that are not exercised directly by the employees in respect of shares to which the scheme relates** (*Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014*) – **Not Applicable**

14. Auditor's and Auditor's Reports and Explanations / Comments by the Board:

I. Statutory Auditor:

The Comptroller and Auditor General (CAG) of India, through their letter No./CA. V/ COY/CENTRAL GOVERNMENT, HPOILG (1)/941 dated 11/09/2025, appointed M/s. ASL & Co., Chartered Accountants (Firm Registration No.101921W), Mumbai, as the statutory auditors of the Company for the Financial Year 2025-26.

There were no qualifications, reservations or adverse remarks or disclaimers made by M/s. ASL & Co., Chartered Accountants, Mumbai, the Statutory Auditors of the Company, in their independent auditors' report for the Financial Year ended on 31st March 2026.

II. Secretarial Auditor:

Pursuant to Section 204 of the Companies Act, 2013, and in accordance with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company appointed M/s RJSY & Associates, (Firm Registration No. P2016MH057200), a firm of Company Secretaries in Practice, to conduct the Secretarial Audit for the year ended March 31, 2026.

There were no qualifications, reservations or adverse remarks or disclaimers made by Secretarial Auditor in their Report submitted Financial Year ended on 31st March 2026.

The Secretarial Audit Report is annexed to this Report as Annexure-I.

III. Internal Auditors:

The Board of Directors appointed M/s S. Poddar & Co., Chartered Accountants (FRN: 320294E) as Internal Auditors for the Financial Year 2025-26 in accordance with Section 138 of the Companies Act, 2013, and the rules made thereunder.

M/s S. Poddar & Co. conducted the internal audit exercise for the Financial Year 2025-26 and subsequently submitted their audit report.

IV. Cost Auditors:

Your company is required to carry out Cost Audit pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014. The Board had appointed M/s GSR & Associates, Cost Accountants (Firm Reg. No. 000069) as the Cost Auditors of the company for conducting the audit of the cost records of the company for the financial year 2025-26 in terms of the provisions of section 148 of the Companies Act, 2013 read with notifications/ circulars issued by the Ministry of Corporate Affairs from time to time. The Cost Audit Report will be filed within the period stipulated under the Companies Act, 2013.

For the year 2026-27, M/s Ritu Shekhawat & Associates, Cost Accountants (Firm Reg. No. 004965) was appointed as the cost auditors under section 148 of the Companies Act, 2013 to conduct the audit of cost records of the company. The said Cost Auditor confirmed that they are not disqualified under any of the provisions specified under section 141(3) of the Companies Act, 2013.

A resolution seeking approval of the shareholders for ratifying the remuneration payable to the Cost Auditors for FY 2026-27 is provided in the Notice of the ensuing Annual General Meeting.

15. C&AG's Observation and Management Response:

The Comptroller and Auditor General of India (C&AG), vide letter no. PDA (oil&gas)/Mumbai/Report/Acs/HPOIL/25-26/t-2100/489 dated 03rd June 2026, has decided not to conduct the supplementary audit of the financial statements of the Company for the year ended 31st March 2026 under section 143(6)(a) of the Act.

16. Cost Audit and Maintenance of Cost records:

The maintenance of Cost Records, as specified under Section 148(1) of the Companies Act, 2013 is mandated and accordingly such accounts and records are made and maintained. The Cost Audit for FY 2025-26 was carried out, and the Cost Audit Reports will be filed with the Ministry of Corporate Affairs within the stipulated time for filing.

17. Nomination and Remuneration Committee:

The Company does not fall under the classes of the Companies specified under Section 178 read with Companies (Meetings of Board and its Power) Rules, 2014 and hence, is not required to constitute Nomination and Remuneration Committee.

18. Audit Committee:

The Company does not fall under the classes of the Companies specified under Section 177 read with Companies (Meetings of Board and its Power) Rules, 2014 and hence, is not required to constitute Audit Committee.

19. Reporting of fraud by Auditors:

During the year under review, the Statutory Auditors of the company have not reported any instances of fraud committed against the Company by its officers or employees to the Board under Section 143(12) of the Companies Act, 2013, details of which need to be mentioned in this report.

20. Compliance with Secretarial Standards on Board and General meetings:

The Company has complied with applicable Secretarial Standards i.e. Secretarial Standards on Board Meeting (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

21. Web link of Annual Return:

Pursuant to the provisions of Section 92(3) and 134(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the Financial Year 2025-26 is placed on its website which can be accessed via web link www.hpoilgas.in.

22. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014:

I. Conservation of Energy:

Energy conservation continues to be a key focus area for the Company, and consistent efforts have been made during the year to optimize energy usage and minimize energy losses across operations. The following initiatives were undertaken during the year:

- All newly constructed CNG Mother and Daughter Stations in Ambala-Kurukshetra and Kolhapur GAs have been designed with energy conservation measures. Further, all electrical equipment procured during the year carries higher energy efficiency ratings, contributing to reduced energy consumption and improved operational efficiency.
- Out of the total 65 CNG stations operated by the company in Ambala-Kurukshetra and Kolhapur GAs, 22 stations have been converted to Online Stations (OLS). OLS eliminates the requirement for transportation of gas through Heavy Commercial Vehicles (HCVs) and Light Commercial Vehicles (LCVs), thereby reducing fuel consumption, vehicular emissions, and the overall carbon footprint.
- In line with its commitment to sustainability, HOGPL voluntarily commenced blending Compressed Biogas (CBG) into its gas supply in the previous financial year, ahead of the regulatory requirement, achieving a blending level of approximately 4%, well above the Government's prescribed target of 1%. During the current financial year 2025-26, CBG constitutes approximately

5.54% of the Company's total gas volume, continuing to surpass the prescribed 1% blending target. This initiative supports the Government of India's vision for renewable energy integration and reflects the Company's commitment to promoting cleaner energy solutions and a greener energy future.

II. Technology Absorption:

(i) The efforts made towards technology absorption:

- During the year, the Company continued to leverage various technology initiatives to enhance operational efficiency, customer experience, and sustainability. The Company continued CBG injection into the pipeline network through the DCU installed at Kolhapur, promoting green energy integration and reducing dependence on conventional fuel transportation. Digital initiatives, including WhatsApp/SMS-based customer communication, QR code-enabled spot billing, self-billing mobile application, centralized CRM system, and real-time operational dashboards, continued to support improved customer service, streamlined operations, and faster decision-making.
- The Company's website and customer application were revamped with enhanced features such as CNG station locator and self-billing facilities
- GIS portal was developed for identification and management of HOGPL pipeline assets, including MDPE and steel pipelines, CNG infrastructure, valve chambers, DRS, and markers.
- During FY 2025-26, the Company also implemented a Document Management System (DMS) platform to digitize records, reduce paper usage and physical storage requirements, and improve operational efficiency.

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

The technology absorption initiatives continued to deliver benefits during the year by enhancing customer experience through digital communication, self-service platforms, and improved accessibility. Operational efficiency was further strengthened through automation, centralized complaint management, real-time monitoring, and reduced manual intervention. These initiatives contributed to cost optimization, improved billing efficiency, faster decision-making, and reduction in carbon footprint through continued CBG integration and minimized cascade movement.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year 2025-26):

- the details of technology imported: NIL
- the year of import: NIL
- whether the technology been fully absorbed: NIL
- if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NIL

(iv) The expenditure incurred on Research and Development: NIL

III. Foreign Exchange Earning and Outgo:

The total foreign exchange earned and outflow by the Company during the year under review, was NIL.

23. Corporate Social Responsibility (CSR)

Pursuant to the provisions of Section 135(9) of the Companies Act, 2013, since the amount required to be spent on Corporate Social Responsibility (CSR) activities did not exceed Rs. 50 lakhs during the financial year under review, the requirement to constitute a Corporate Social Responsibility Committee was not applicable to the Company. Accordingly, the functions of the CSR Committee, as prescribed under the Act, were discharged by the Board of Directors.

Your Company continues to remain committed to its CSR by undertaking initiatives that contribute to the socio-economic development of the communities in which it operates. During the financial year 2025-26, the Company's CSR activities were primarily focused on Health & Sanitation and Ensuring Sustainability, in line with the activities specified under Schedule VII of the Companies Act, 2013.

Under the Health & Sanitation initiative, the Company undertook the installation and commissioning of drinking water facilities comprising Water Coolers with RO Systems in 6 State Government Schools (2 schools in Ambala and 4 schools in Kurukshetra) in the State of Haryana, with an amount of Rs. 4,15,360 spent towards the initiative. Under the Ensuring Sustainability initiative, the Company undertook the installation and commissioning of 20 Solar Street Lights of 30 watts each from Mouje Vadgaon Fata to Gavthan and along the internal village roads of Vadgaon, Kolhapur district, Maharashtra, with an amount of Rs. 7,31,600 spent towards the initiative.

During the financial year 2025-26, the Company was required to spend Rs. 17.61 lakhs towards CSR activities. Out of the said amount, Rs. 11.47 lakhs were spent on aforesaid CSR projects during the year. The unspent amount of Rs. 6.14 lakhs, not relating to any ongoing project, was transferred to the PM CARES Fund on 11 June 2026, within the prescribed timeline and in compliance with the provisions of Section 135 of the Companies Act, 2013 read with Schedule VII thereto.

Details regarding this provision and transfer are provided in Annexure- II.

24. Board of Directors:

As of 31st March 2026, the following Directors served on the Board of HPOIL Gas Private Limited:

- Mr. Vinod Kuzhichapilly- Chairman (DIN: 09560150)
- Mr. Muralikrishna Vadrevu -Director (DIN: 10944158)
- Mr. Ranjan Goswami -Director (DIN: 10611173) till 28.02.2026
- Mr. Abhijit Das- Director (DIN: 11074766) from 25.04.2025
- Mr. Sachidananda Maharana (DIN: 10596084) till 18.04.2025
- Mr. Raghunath Mishra- Director (DIN: 11419051) from 01.03.2026

The details of directors or key managerial personnel who were appointed or have resigned during the year:

- Mr. Sachidananda Maharana ceased to be director w.e.f. 18.04.2025 Subsequently, upon withdrawal of his nomination by OIL, and Mr. Abhijit Das nominated by OIL, was appointed as

an Additional Director on the Board w.e.f. 25.04.2025 and was regularized as Director at the Extraordinary General Meeting of the company held on 27.05.2025.

- Mr. Raghunath Mishra nominated by OIL, was appointed as Director w.e.f 01.03.2026, in place of Mr. Ranjan Goswami, who ceased to be a director upon his superannuation from service with effect from 28.02.2026.

The Board placed on record its sincere and deep appreciation for the invaluable counsel and significant contributions made by Mr. Sachidananda Maharana (DIN: 10596084) and Mr. Ranjan Goswami (DIN: 10611173) during their tenure as Directors of the Company. Their guidance and dedication were instrumental in the Company's growth and governance, and the Board expressed its heartfelt gratitude for their service.

The Company is not required to appoint independent directors under current provisions, hence a statement on declaration under section 149(6) is not applicable.

None of the Directors are disqualified under section 164(2) from being appointed as a Director of the Company.

25. Statement on declaration by Independent Director:

The Company does not fall under the classes of the Companies specified under Section 149 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and hence, is not required to appoint Independent Director.

26. Key Managerial Personnel:

Pursuant to Section 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following are the Key Managerial Personnel of the Company:

- Mr. Srinivas Chakravarthi Vedula – Chief Executive Officer
- Mr. Goutam Maji – Chief Financial Officer
- Ms. Kunjal Ashutosh Singh – Company Secretary

There have been no changes in the KMPs during the year under review.

27. Number of meetings of the Board of Directors:

During the financial year eleven (13) board meetings were held- 25th April, 2025, 17th May, 2025, 17th June, 2025, 18th July, 2025, 23rd August, 2025, 01st September, 2025, 15th September, 2025, 03rd October, 2025, 23rd October, 2025, 15th November, 2025, 19th January, 2026, 16th February, 2026, 23rd March, 2026.

The details of attendance of each Directors at the Board Meetings are given below:

Name of Director	No. of Meetings which each Directors was entitled to attend	No. of Meetings Attended
Mr. Vinod Kuzhichapilly	13	12
Mr. Ranjan Goswami	12	10
Mr. Muralikrishna Vadrevu	13	11

Mr. Abhijit Das	13	13
Mr. Raghunath Mishra	01	01

Note:

- *Mr. Abhijit Das was appointed as Director w.e.f. 25th April, 2025.*
- *Mr. Ranjan Goswami ceased to be Director w.e.f. 28th February, 2026.*
- *Mr. Raghunath Mishra appointed as Director w.e.f. 01st March 2026.*

28. Particulars of loans, guarantees or investments under Section 186:

The Company has not provided Loans & Advances or given any guarantees falling under the purview of section 186 of the Companies Act, 2013.

29. Particulars of contracts or arrangements with related parties:

All related party transactions entered during the Financial Year 2025-26 were on an arm's length basis and were in the ordinary course of business. Your Company had not entered any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. 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. Suitable disclosure as required by the Indian Accounting Standard (Ind AS 24) has been made in note no. 34 of the notes to the Financial Statements.

30. Details of Application made or proceeding pending under Insolvency and Bankruptcy Code, 2016:

During the year under review there were no applications made or proceedings pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

31. Details of difference between Valuation amount on one time settlement and Valuation while availing loan from Banks and Financial Institutions:

During the year under review, there has been no one time settlement of Loans taken from Banks and Financial Institutions.

32. Credit Rating:

During the year, CRISIL ratings has reaffirmed its rating of "CRISIL AA-/Stable" on the company's long term bank facility.

33. Risk management Policy:

The Company holds a valid Emergency Response and Disaster Management Plan (ERDMP) certificate for all its operational geographical areas, with a validity of five years, and a valid Integrity Management System (IMS) certificate with a validity of three years.

These certifications demonstrate the Company's preparedness to effectively respond to emergency situations and reinforce its commitment to ensuring the safety, security, and reliability of its operations and stakeholders. In compliance with the Petroleum and Natural Gas Regulatory Board (PNGRB) Regulations, 2008, the Company has successfully undergone audits for Technical Standards

and Specifications, including Safety Standards (T4S) and the Integrity Management System (IMS). These independent audits play a vital role in maintaining the highest standards of operational integrity, safety, and regulatory compliance across the Company's facilities.

The Company also maintains a robust financial risk management framework to safeguard its financial health and support sustainable business growth. It follows a comprehensive internal control mechanism through periodic Internal Audits and Statutory Audits, which are instrumental in identifying, assessing, and mitigating financial and operational risks. These audits provide reasonable assurance regarding the adequacy and effectiveness of internal financial controls, compliance with applicable statutory and regulatory requirements, and the overall effectiveness of the Company's risk management framework.

34. Vigil Mechanism:

The Company is governed by Vigil Mechanism of Hindustan Petroleum Corporation Limited as per clause no. 3.2 of Ministry of Petroleum and Natural Gas office memorandum no. 36011/22/2012 dated 19.11.2013.

The Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism for Directors and employees in confirmation with Section 177 of the Act to facilitate reporting of the genuine concerns about unethical or improper activity. The details of the Whistle Blower Policy are available on the website of the company www.hpoilgas.in.

35. Disclosure under the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013

Your Company is a joint venture between Hindustan Petroleum Corporation Limited and Oil India Limited which has zero tolerance towards sexual harassment at the workplace and accordingly has adopted a policy and has constituted an Internal Complaints Committee, in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.

During the financial year under review, the Company has complied with all the provisions of the POSH Act and the rules framed thereunder. Further details are as follows:

a.	Number of complaints of Sexual Harassment received in the Year	0
b.	Number of Complaints disposed off during the year	NA
c.	Number of cases pending for more than ninety days	NA

During the Financial Year 2025-26, the Company has not received any complaints pertaining to sexual harassment.

36. Maternity benefit:

The Company affirms that it has duly complied with all provisions of the Maternity Benefit Act, 1961, and has extended all statutory benefits to eligible women employees during the year.

37. Health, Safety and Environment (HSE)

The Company continues to accord the highest priority to Health, HSE and remains committed to fostering a strong safety culture while ensuring operational excellence. The Company maintains full compliance with all applicable statutory and regulatory requirements and integrates health, safety and environmental considerations into its day-to-day operations.

During the financial year 2025-26, the Company recorded Zero Lost Time Injury (LTI) across all its project and operational installations in its Geographical Areas and successfully achieved 5.80 million safe man-hours, reflecting its unwavering commitment to maintaining the highest standards of workplace safety. However, an unfortunate incident at a customer premises involving 3 fatalities occurred during the year. The issue was handled inline with applicable regulation as mentioned aforesaid point no. 2 (c).

To strengthen safety as a core organizational value, the Company conducted comprehensive safety training and awareness programmes for employees, including frontline and ground staff. During the year, a total of 5,243 training man-hours were completed, significantly enhancing safety awareness and operational competence across the organization.

As part of its commitment to emergency preparedness, the Company conducted 11 mock drills in collaboration with Local Crisis Groups, the Directorate of Industrial Safety and Health (DISH), and Mutual Aid members to evaluate the effectiveness of its Emergency Response and Disaster Management Plan (ERDMP). These exercises further reinforced the Company's preparedness to respond effectively to emergency situations while aligning with established public safety frameworks.

The Company also organized more than 25 safety awareness camps at customer premises for PNG consumers and at CNG stations for CNG customers, reaffirming its commitment to consumer safety. In addition, safety awareness messages were disseminated to the wider public through cinema halls, digital platforms and social media to promote safe practices among stakeholders.

The safety and competency of the Company's contractual workforce continue to remain a key focus area. Accordingly, all contractual personnel are required to undergo mandatory Safety and Technical (S&T) training before deployment at work sites. While Standard Operating Procedures (SOPs) are strictly followed for routine operations, all non-routine and critical activities are executed only through the Safety Work Permit System to ensure effective risk management and operational safety. To safeguard the integrity of its gas pipeline network and prevent third-party damage, the Company organized several workshops under the "Dig Before Dig" safety campaign, with active participation from district authorities and other key stakeholders.

As part of its environmental sustainability initiatives, the Company undertook a Monsoon Tree Plantation Drive 2025 in association with the respective Forest Departments, during which 7,000 saplings were planted and distributed across its operational areas. The Company also observed World Environment Day through various awareness programmes and employee engagement activities, reinforcing its commitment to environmental conservation.

Furthering its commitment to resource conservation and climate resilience, the Company has installed solar power systems at various locations across its Geographical Areas, generating a

cumulative 52,617.30 units of renewable energy up to the year 2025. In addition, the Company has implemented rainwater harvesting systems that have facilitated the recharge of approximately 25,100.60 KL of groundwater, thereby contributing to water conservation and enhancing groundwater levels at its operational assets.

38. Directors' Responsibility Statement:

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors to the best of its knowledge and ability, confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. they have 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 31st March, 2026 and of the profit of the Company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. they have prepared the annual accounts on a going concern basis; and
- e. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

39. Acknowledgements:

The Board of Directors of HPOIL Gas Private Limited sincerely thanks the Government of India, Ministry of Petroleum & Natural Gas, Petroleum & Natural Gas Regulatory Board, and the State Governments of Maharashtra, Haryana, and Nagaland. We also express our gratitude to our customers, shareholders, suppliers, bankers, promoters, financial institutions, and employees. Each stakeholder has played a vital role in our journey, contributing significantly to our achievements. Their trust, collaboration, and unwavering support have been key to overcoming challenges and capitalizing on opportunities.

**On behalf of the Board of Directors
HPOIL Gas Private Limited**

Sd/-

K Vinod

Chairman

DIN: 09560150

Date: 19.09.2026

Place: Navi Mumbai

Annexure -I

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

HPOIL GAS PRIVATE LIMITED

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

Based on our verification of the **Company’s** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2026** (“**Audit period**”) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **31st March, 2026** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder (**Not Applicable**);
- (iii) The Depositories Act, 1996 and the Regulations and Bye- Laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 (‘FEMA’) and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not Applicable**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were **not applicable** to the Company during the Audit Period as the Company is not a listed entity:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vi) Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
 - (a) The Legal Metrology Act, 2009;
 - (b) The Legal Metrology (Packaged Commodities) Rules, 2011.
 - (c) The Petroleum and Natural Gas Regulatory Board Act, 2006;
 - (d) The Petroleum Act, 1934;
 - (e) The Explosives Act, 1884;
 - (f) The Explosives Rules, 2008;
 - (g) The Gas Cylinder Rules, 2016
- (vii) Other laws to the extent applicable to the Company as per the representations made by the Company;

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

- (i) Secretarial Standards issued pursuant to section 118(10) of the Act, by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), **(Not Applicable as the Company is not a Listed Company)**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with Nominee Directors pursuant to the Joint Venture agreement entered between the holding companies i.e., Hindustan Petroleum Corporation Limited and Oil India Limited. The Company does not have any Executive Directors as there is a Chief Executive Officer who is responsible for the executive functions. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in certain cases, and a system exists for seeking and obtaining

further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the Audit period, the Company had following events which had a bearing on the Company's affairs in pursuance of the referred laws, rules, regulations, guidelines, standards etc.:

1. Mr. Abhijit Das (DIN: 11074766) was appointed as a Non-Executive Additional Director of the Company at the Board meeting held on April 25, 2025, with effect from April 25, 2025, and members of the Company approved his appointment as a Non-Executive Nominee Director of the Company at the Extraordinary General Meeting held on May 27, 2025.
2. Mr. Raghunath Mishra (DIN: 11419051) was appointed as a Non-Executive Additional Director of the Company vide Circular Board Resolution No. 07/2025-26 dated February 27, 2026, with effect from March 01, 2026.
3. Mr. Muralikrishna Venkata Vadrevu (DIN: 10944158) was redesignated as the Non-Executive Nominee Director of the Company at Extraordinary General Meeting held on May 27, 2025, with effect from May 27, 2025.
4. The Capital Clause of Memorandum of Association of the Company was altered at the Extraordinary General Meeting held on May 27, 2025, for increasing the Authorized Share Capital of the Company from Rs. 192,00,00,000/- (Rupees One Hundred Ninety-Two Crores Only) to 252,00,00,000/- (Rupees Two Hundred Fifty-Two Crores Only).
5. The Company has allotted 3,20,00,000 (Three Crore Twenty Lakh) Equity Shares of face value Rs. 10/- each, at par aggregating to Rs. 32,00,00,000/- (Rupees Thirty-Two Crores Only) on Rights basis via Circular Board Resolution 03/2025-26 dated July 11, 2025.

Place: Mumbai

Date: 10th August, 2026

For RJSY & ASSOCIATES.

Company Secretaries.

Firm Registration No.: P2016MH057200

sd/-

Sadhana Ramnihor Yadav

Membership No.: A27559

C.P. No.: 16932

ICSI UDIN: A027559H001067631

Peer Review No.: 5889/2024

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

‘Annexure A’

To,
The Members,
HPOIL GAS PRIVATE LIMITED

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

1. Maintenance of secretarial record 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. The audit practices and processes as followed by us 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, followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations 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.

Place: Mumbai

Date: 10th August, 2026

For RJSY & ASSOCIATES.

Company Secretaries.

Firm Registration No.: P2016MH057200

sd/-

Sadhana Ramnihor Yadav

Membership No.: A27559

C.P. No.: 16932

ICSI UDIN: A027559H001067631

Peer Review No.: 5889/2024

ANNEXURE –II

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2025-26

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

1.	Brief outline on CSR Policy of the Company: A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and reference to the weblink: www.hpoilgas.in to the CSR policy and project or programmes. The Board of Directors has adopted a CSR policy to enable the Company to carry out CSR activities in all the activities that are mentioned in the Schedule VII to the Companies Act, 2013. HOGPL recognizes its responsibility toward the community and follows the Board approved CSR policy which is in line with the requirement of Companies Act, 2013. The project undertaken during the Financial Year 2025-26 were within the broad framework of Schedule VII of the Companies Act, 2013	
2.	Composition of CSR Committee: Since the amount to be spent by a Company as CSR expenditure does not exceed fifty lakh rupees as specified under Section 135(9), the requirement under Section 135(1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of the CSR Committee has been discharged by the Board of Directors of such Company.	
3.	Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:	www.hpoilgas.in
4.	Provide the executive summary along with web-link(s) of Impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):	The provisions of Impact Assessment are not applicable to the Company.
5.	(a) Average net profit of the company as per sub-section (5) of section 135:	Rs.880.73 Lakhs
	(b) Two percent of average net profit of the company as per sub-section (5) of section 135:	Rs. 17.61 Lakhs
	(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:	Nil
	(d) Amount required to be set-off for the financial year, if any:	There is no amount which is required to be set-off for the financial year.
	(e) Total CSR obligation for the financial year [(b)+(c)-(d)]:	Rs. 17.61 Lakhs
6.	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):	Nil
	(b) Amount spent in Administrative Overheads:	The Company has not spent any amount in the Administrative Overheads.
	(c) Amount spent on Impact Assessment, if applicable:	The provisions of Impact Assessment are not applicable to the Company.

		(d) Total amount spent for the Financial Year [(a)+(b)+(c)]:		Nil		
		(e) CSR amount spent or unspent for the Financial Year:		Kindly refer table below:		
Total AmountSpent for theFinancial Year. (In Rs. Lakhs)		Amount Unspent (in Rs.)				
		Total Amount transferred to Unspent CSR Account as per s ub- section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
		Amount.	Date of transfer.	Name of the Fu nd	Amount (In Rs. Lakhs)	Date of trans fer.
11.47		Nil	Nil	PM Cares Fund	6.14	11/06/2026
		(f) Excess amount for set-off, if any:				Kindly refer table below:
Sl. No.	Particular					Amount (In Rs. Lakhs)
(1)	(2)					(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135					17.61
(ii)	Total amount spent for the Financial Year					11.47
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]					Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any					Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]					Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7
Sr. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (In Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (In Rs.)	Amount Spent in the Financial Year (In Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (In Rs)
					Amount (In Rs- Lakhs)	Date of Transfer	
1.	2024-25	Nil	Nil	NA	8.42	22.08.2025	Nil
2.	2023-24	Nil	Nil	NA	2.41	02.04.2024	Nil
3.	2022-23	Nil	Nil	NA	Nil	Nil	Nil

8. 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: **Company has not created or acquired any capital asset during the FY 2025-26.**

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

During the year 2025-26, the company made a provision of Rs. 17.61 Lakhs out of which Rs. 11.47 lakhs have been spent for CSR activities at Ambala-Kurukshetra & Kolhapur GAs and balance figure of Rs. 6.14 lakh was subsequently transferred to the PM CARES Fund on 11th June 2026, in accordance with Schedule VII of the Companies Act, 2013.

For and on behalf of the Board of Directors
HPOIL Gas Private Limited

Sd/-

K Vinod
Chairman

DIN: 09560150
Dated: 19.09.2026
Place: Navi Mumbai

Independent Auditor's Report

To,

The members of **HPOIL GAS PRIVATE LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **HPOIL GAS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including 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 (financial position) of the Company as at March 31, 2026, and its Profit (financial performance including other comprehensive income), the changes in equity and its Cash Flows 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 (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the 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 that there are no key audit matters to be communicated in our report.

Emphasis of Matter Paragraph

We draw attention to Note 56 to the financial statements, which describes the matter relating to the new Labour Codes notified by the Government of India vide notification dated November 21, 2025. The Company is currently evaluating the financial impact, if any, arising therefrom, pending notification of rules under the new Codes. Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditors 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 such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management and Board of Directors are 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 state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities 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 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 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.

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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a). We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b). In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c). The standalone financial statements dealt with by this Report are in agreement with the books of account;
 - (d). In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
 - (e). On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 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 with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**” to this report;
- (g). As per information and explanations given to us, since the Company is a private company, the provisions of section 197 of the Act, related to the managerial remuneration, are not applicable to the company.
- (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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial Statements – Refer Note No.55 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) As per the information and explanation given to us, to the best of our knowledge and belief, and audit procedures that we considered reasonable and appropriate in
The circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
 - v. As per information and explanations given to us and to the best of our knowledge and belief, no dividend has been declared or paid during the year by the company; hence the provisions of section 123 of the Act, related to the payment of Dividend, are not applicable to the company.
 - vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail was not enabled at the database level to log any direct changes, and the audit trail has been preserved by the company as per the statutory requirements for record retention.

- vii. In accordance with directions received by us vide DO No. DGA(O&G)/Mum./Sub Dir./2025-26/E-484639/445 dated April 08, 2026, we report on the Directions under sub-section (5) of section 143 of the Companies Act, 2013, based on the verification of records of the Company and based on the information, explanation and representation received by us from the Company ;
- (a). Based on discussion and explanation provided by management, the Company does not have any investments, either directly or through Trusts, for post-retirement benefits of employees. Accordingly, this direction is not applicable;
- (b). The Company have a system in place to process all the accounting transactions through IT system. However no review of this system and controls has been done by any Information Security Auditing Organisation empanelled by Cert-In.
- (c). Based on discussion and explanation provided by management, there are no funds received/receivable for specific schemes from Central/State Government or its agencies. Accordingly, no cases of deviation are reported;
- (d). As represented by the management, the Company has identified key risk areas and has formulated a Risk Management Policy/framework to mitigate such risks however formal documentation in respect of the same is not available for verification.
- (i) As represented by the Management, the Policy is broadly aligned with generally accepted industry practices and risk management principles.
- (ii) As represented by the Management, the Company does not have any data assets requiring commercial valuation.
- (e). The Company is not a listed entity hence regulations of Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI are not applicable to the Company. Further as represented by the Management, the Company have complied with the regulations as laid out by Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India.

PLACE: - MUMBAI.
DATED: - April 24, 2026

FOR ASL & CO.
Chartered Accountants
(Regn. No 101921 W)

Sd/-
(Shikha Jain)
Partner
Membership No. : 136484

Annexure “A” referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of the Independent Auditors’ report of even date on the Standalone Financial Statements of HPOIL GAS PRIVATE LIMITED for the Year Ended 31st March 2026.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under. Matters specified in clauses (i)(d),(e), (iii), (iv), (v), (viii), (ix)(b) (d) (e), (f), (x) , (xi)(b)(c), (xii), (xv), (xvi), (xvii), (xviii), (xx)(b), (xxi) of paragraph 3 of the Companies (Auditor’s Report) Order, 2020 do not apply to the Company. Accordingly no comments have been made on the matters not applicable to the company.

(i)

(a)

A. The company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment;

B. The company has maintained proper records showing full particulars of intangible Assets.

(b) As per the information and explanations given to us, property, plant and equipment have been physically verified by the management at the reasonable intervals having regards to the size of the company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification;

(c) In our opinion and according to the information and explanations given to us, the title deeds of all immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statement are held in the name of the company.

(ii)

As per the information and explanations given to us, the inventory except goods in transit has been physically verified by the management during the year at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on verification between the physical stock and the book records;

(iii)

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;

(iv)

(a)

As per the records of the Company and according to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues Goods and Services Tax, provident fund, professional tax, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, to the extent applicable to it;

(b)

According to the information and explanations given to us and the records of the Company examined by us there are no dues of income tax, sales tax, service tax, goods and service tax, duty of customs and duty of excise duty, value added tax and any other statutory dues, to the extent applicable to it, which have not been deposited on account of a dispute;

(v)

- (a) Based on our audit procedures and on the basis of information and explanations given by the management, the Company has not defaulted in payment of dues to any lender.
- (b) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.
- (vi) As per information and explanations given by the management, no fraud by the company or on the Company has been noticed or reported during the year under review;
- (vii) According to the records of the Company and as per the information and explanations given to us, the transactions of the Company with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013, where applicable, and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Ind AS;
- (viii)
- (a) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered the internal audit reports of the company for the period under audit and issued till date ;
- (ix) On the basis financial ratios, ageing and expected date of realizations of financial assets and payment of financial liabilities, other information accompanying financial statements , our knowledge of board of directors and management plans , and based on our examination of the evidence supporting the assumptions, nothing has come to our notice that causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. However, we state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (x) According to the information and explanations given to us and based on our examination of the records of the Company, the amount of ₹6.14 lakhs remaining unspent under sub-section (5) of Section 135 of the Companies Act, 2013, pursuant to other than ongoing projects, will be transferred to fund specified in Schedule VIII to the Companies Act within a period of 6 months of the expiry of the financial year for "FY 2025-26, in compliance with the provisions of sub-section (5) of Section 135 of the said Act."

Financial Year	Amount Unspent on Ongoing CSR Projects (₹ in lakhs)	Due Date for Transfer (within 6 month from year-end)
2025-26	6.14	30-Sept-2026

FOR ASL & CO.
Chartered Accountants
(Regn. No 101921 W)
Sd/-
(Shikha Jain)
PARTNER
Membership No. : 136484

PLACE: - MUMBAI.
DATED: April 24, 2026

Annexure “B” referred to in paragraph 2 (f) under the heading “Report on Other Legal and Regulatory Requirements” of the Independent Auditors’ report of even date on the Standalone Financial Statements of HPOIL GAS PRIVATE LIMITED for the Year Ended 31st March 2026.

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

We have audited the internal financial controls with reference to the financial statements of HPOIL Gas Private Limited (“the Company”) as of March 31, 2026 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 the internal control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to the financial statements based on our audit.

We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the financial statements and their operating effectiveness.

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

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

Meaning of Internal financial controls with reference to the financial statements

A company’s internal financial control with reference to the financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to the financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with

authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal financial controls with reference to the financial statements

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

Opinion

In Our opinion, 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 with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**FOR ASL & CO.
Chartered Accountants
(Regn. No 101921 W)**

Sd/-

**(Shikha Jain)
PARTNER
Membership No. : 136484**

PLACE: - MUMBAI.

DATED: April 24, 2026

महानिदेशक लेखापरीक्षा (तेल एवं गैस), मुंबई
भारतीय लेखापरीक्षा एवं लेखा विभाग
 सी- 25, ऑडीट भवन, 8 वाँ तल, बांद्रा कुर्ला कॉम्प्लेक्स,
 बांद्रा (पू), मुंबई - 400 051



Director General of Audit (Oil & Gas), Mumbai
Indian Audit & Accounts Department
 C-25, Audit Bhavan, 8th Floor, Bandra - Kurla Complex,
 Bandra (East), Mumbai - 400 051.

Date: _____

No: पीडीए(oil&gas)/मुंबई/रिपोर्ट/ACs/HPOIL/25-26/t-2100/489

03 जून 2026

सेवा में,

अध्यक्ष,
 एचपीआईल गैस प्राइवेट लिमिटेड,
 मैराथन फ्यूचरएक्स, 10वीं मंजिल,
 लोअर परेल (पूर्व),
 मुंबई-400013

विषय :- कंपनी के अधिनियम 2013 के धारा 143(6)(b) के अधीन एचपीआईल गैस प्राइवेट लिमिटेड के 31 मार्च 2026 को समाप्त लेखों पर भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियां।

महोदय,

कृपया एचपीआईल गैस प्राइवेट लिमिटेड के 31 मार्च 2026 को समाप्त लेखों पर कंपनी के अधिनियम 2013 के धारा 143(6)(b) के अधीन भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ संलग्न है।

वार्षिक आम सभा में लेखों तथा नियंत्रक-महालेखापरीक्षक के टिप्पणियों को अंगीकरण करने के कार्यवाही के कार्यवृत्त की एक प्रतिलिपि इस कार्यालय को प्रेषित करें। साथ में प्रकाशित वार्षिक रिपोर्ट की 05 प्रतिलिपियाँ भेजें।

यह पत्र प्रधान निदेशक के अनुमोदन से जारी किया जा रहा है।

भवदीय,

25
 03/06
 उप निदेशक (डाउनस्ट्रीम), मुंबई

संलग्न: यथोपरि

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HPOIL GAS PRIVATE LIMITED FOR THE YEAR ENDED 31 MARCH 2026

The preparation of financial statements of **HP OIL Gas Private Limited** for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **24.04.2026** along with addendum to their report dated **29.05.2026**.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of **HP OIL Gas Private Limited** for the year ended 31 March 2026 under section 143(6)(a) of the Act.

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



**Vishal Chawre
Principal Director of Audit (Oil & Gas), Mumbai**

**Place: Mumbai
Date: 03 June 2026**

Balance Sheet as at 31 March 2026
(Amount in INR Lakhs, unless otherwise stated)

	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, Plant and Equipment	6	53447.26	48847.16
Right of Use Assets	6	362.05	278.83
Capital work-in-progress	7	15062.86	17198.07
Intangible assets	8	120.83	158.27
Intangible asset under development	8.1	3.25	0.00
Other non-current assets	9	658.38	615.00
Total non-current assets		69654.63	67097.33
Current assets			
Inventories	10	94.21	95.11
Financial assets			
Trade receivables	11	1832.77	1402.18
Cash and cash equivalents	12	299.56	1681.67
Other financial assets	13	640.00	303.76
Other Current assets	13A	196.69	55.45
Total current assets		3063.23	3538.17
Total assets		72717.86	70635.50
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	22400.00	19200.00
Application money received pending allotment		0.00	0.00
Other equity	15	1146.25	1053.60
Total equity		23546.25	20253.60
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	40685.72	41749.75
Lease Liabilities	33	322.54	254.59
Other Non-current Liabilities	33A	3.94	0.00
Deferred Tax Liability (Net)	30	347.92	491.37
Total non-current liabilities		41360.12	42495.71
Current liabilities			
Financial liabilities			
Borrowings	16	1271.43	1770.81
Lease Liabilities	33	71.85	51.77
Trade payables	17		
i)total outstanding dues of micro enterprises and small enterprises		334.83	156.33
ii)total outstanding dues of creditors other than micro enterprise and small enterprise		1773.73	1414.52
Other financial liabilities	18	3474.63	2675.97
Other current liabilities	19	871.77	1806.06
Provisions	20	13.25	10.73
Total current liabilities		7811.49	7886.19
Total liabilities		49171.61	50381.90
Total equity and liabilities		72717.86	70635.50

Notes to the financial statements 1-59

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

As per our report of even date
For ASL & Co.
Chartered Accountants
Firm Registration No.: 101921W

For and on behalf of the Board of Directors
HPOIL Gas Private Limited
CIN: U23201MH2018PTC317703

sd/-
Shikha Jain
Partner
Membership No. - 136484
Place: Mumbai
Date: 24 April 2026

sd/-
K Vinod
Chairman
DIN: 09560150
Place: Mumbai
Date: 24 April 2026

sd/-
VS Chakravarthi
Chief Executive Officer
Place: Mumbai
Date: 24 April 2026

sd/-
Goutam Maji
Chief Financial Officer
Place: Mumbai
Date: 24 April 2026

sd/-
Kunjai Singh
Company Secretary
M.No- 36722
Place: Mumbai
Date: 24 April 2026

Statement of Profit and Loss for the year ended 31 March 2026

(Amount in INR Lakhs, unless otherwise stated)

	Notes	2025-2026	2024-2025
Income			
Revenue from operations	21	34995.07	28289.99
Other income	22	117.29	236.46
Total income		35112.36	28526.45
Expenses			
Cost of material consumed	23	25182.59	19809.24
Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	0.90	101.40
Employee benefits expense	25	218.70	172.18
Manpower deputation expenses	26	183.25	81.44
Finance costs	27	2892.56	2210.54
Depreciation and amortization expense	28	3116.79	2172.74
Other expenses	29	3569.42	3029.13
Total expenses		35164.20	27576.67
Profit/(Loss) before exceptional items & tax		-51.85	949.78
Exceptional Items		0.00	0.00
Profit/(Loss) before tax		-51.85	949.78
Tax expense			
Current tax		0.00	0.00
Deferred tax	30	-143.71	20.63
Total income tax expense		-143.71	20.63
Profit/(Loss) for the Year		91.87	929.15
Other comprehensive income		0.78	0.39
Items that will not be reclassified to Profit & Loss			
Remeasurement of Defined Benefit Plans		1.05	0.39
Income Tax related to above		-0.26	0.00
Items that will be reclassified subsequently to profit or loss		0.00	0.00
Other comprehensive income for the year, net of tax		0.78	0.39
Total comprehensive income for the year		92.65	929.54
Earning per share			
Basic per share (INR)		0.04	0.48
Diluted per share (INR)		0.04	0.48

Notes to the financial statements

1-59

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

As per our report of even date

For ASL & Co.

Chartered Accountants

Firm Registration No.: 101921W

For and on behalf of the Board of Directors of

HPOIL Gas Private Limited

CIN: U23201MH2018PTC317703

sd/-

Shikha Jain

Partner

Membership No.- 136484

Place: Mumbai

Date: 24 April 2026

sd/-

K Vinod

Chairman

DIN: 09560150

Place: Mumbai

Date: 24 April 2026

sd/-

VS Chakravarthi

Chief Executive Officer

Place: Mumbai

Date: 24 April 2026

sd/-

Goutam Maji

Chief Financial Officer

Place: Mumbai

Date: 24 April 2026

sd/-

Kunjal Singh

Company Secretary

M.No- 36722

Place: Mumbai

Date: 24 April 2026

Statement of cash flows for the year ended 31 March 2026
(Amount in INR Lakhs, unless otherwise stated)

	Year ended 2025-2026	Year ended 2024-2025
Cash flow from operating activities		
Profit/(Loss) before tax	-51.85	949.78
Adjustments for:		
Depreciation and amortization expenses	3116.79	2172.74
Finance cost	2870.75	2210.54
Interest paid on lease liabilities	21.06	22.99
Interest income	-53.29	-96.10
Interest on Site restoration	0.04	0.00
Interest Expense on Defined Benefit obligations (Gratuity)	0.71	0.00
Operating Profit before working capital changes	5904.22	5259.95
Changes in working capital		
Increase in trade payables	537.70	-191.97
(Increase) in inventories	0.90	101.40
(Increase) in trade receivables	-430.59	-139.40
Increase/(Decrease) in other current liabilities	-934.29	612.67
Increase in provisions	2.52	3.60
Increase/ (Decrease) in other financial liabilities	798.66	541.84
(Increase) in other financial assets	-336.24	-137.29
(Increase)/ Decrease in other non current assets	-43.38	3268.59
(Increase)/ Decrease in other current assets	-141.24	0.00
Increase/(Decrease) in other Non-current liabilities	3.94	0.00
Cash generated in operations	5362.20	9319.40
Income tax paid	0.00	0.00
Net cash generated from operating activities (A)	5362.20	9319.40
Cash flow from Investing activities		
Payment for purchase of property, plant and equipment and intangible assets	-7762.35	-20952.89
Purchase of Capital Work In Progress	2135.21	11848.08
Intangible asset under development	-3.25	115.00
Interest received	53.29	96.10
Net cash used in investing activities (B)	-5577.10	-8893.71
Cash flow from Financing activities		
Proceeds from issuance of equity share capital	3200.00	0.00
Proceeds from long term secured Loan	-1563.41	1821.80
Interest paid	-2870.75	-2210.54
Principal paid on lease liabilities	88.03	-37.22
Interest paid on lease liabilities	-21.06	-22.99
Net cash generated from financing activities (C)	-1167.19	-448.95
Net increase in cash and cash equivalents (A+B+C)	-1382.09	-23.25
Cash and cash equivalents at the beginning of the year	1681.67	1704.92
Cash and cash equivalents at the end of the year	299.58	1681.67
Cash and cash equivalents comprise (Refer note 12)		
Balances with banks		
On current accounts	297.14	198.37
Fixed deposits with maturity of less than 3 months	-	1480.00
Cash on hand	2.42	3.30
Total cash and bank balances at end of the year	299.56	1681.67

1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7, Statement of Cash Flows as specified in the Companies (Indian Accounting Standards), Rules, 2015 (as amended).

2. The balance of Cash and Cash equivalents comprises cash on hand, balance Current Accounts and deposits with banks. Cash equivalents are short term balances with an original maturity of three months or less from the date of acquisition.

Notes to the financial statements 1-59

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

As per our report of even date
For ASL & Co.
Chartered Accountants
Firm Registration No.: 101921W

For and on behalf of the Board of Directors of
HPOIL Gas Private Limited
CIN: U23201MH2018PTC317703

sd/-
Shikha Jain
Partner
Membership No.- 136484

sd/-
K Vinod
Chairman
DIN: 09560150

sd/-
VS Chakravarthi
Chief Executive Officer

sd/-
Goutam Maji
Chief Financial Officer

sd/-
Kunjai Singh
Company Secretary
M.No- 36722

Place: Mumbai
Date: 24 April 2026

Place: Mumbai
Date: 24 April 2026

Place: Mumbai
Date: 24 April 2026

Place: Mumbai
Date: 24 April 2026

Place: Mumbai
Date: 24 April 2026

Statement of changes in equity for the year ended 31 March 2026
(Amount in INR Lakhs, unless otherwise stated)

(A) Equity share capital

For the year ended 31 March 2026

Equity shares of INR 10 each issued, subscribed and fully paid

Balance as at 1 April 2025

Changes in Equity Share Capital due to prior period errors

Restated balance as at 1 April 2025

Changes in equity share capital during the current year

Balance as at 31 March 2026

2025-2026	
No. of shares	Amount
19,20,00,000.00	19,200.00
-	-
3,20,00,000.00	3,200.00
22,40,00,000.00	22,400.00

For the year ended 31 March 2025

Equity shares of INR 10 each issued, subscribed and fully paid

Balance as at 1 April 2024

Changes in Equity Share Capital due to prior period errors

Restated balance as at 1 April 2024

Changes in equity share capital during the previous year

Balance as at 31 March 2025

2024-2025	
No. of shares	Amount
19,20,00,000	19,200
0	0
0	0
19,20,00,000	19,200

(B) Other equity

For the year ended 31 March 2026

Particulars	Reserve and Surplus				Total
	Capital Reserve	Securities Premium	Other Reserves	Retained Earnings	
Balance as at 1 April 2025	-	-	-	1,053.60	1,053.60
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at April 2025	-	-	-	1,053.60	1,053.60
Profit/(Loss) for the year				91.87	91.87
Other comprehensive income				0.78	0.78
Total Comprehensive Income	-	-	-	92.65	92.65
Any other change					-
Balance as at 31 March 2026	-	-	-	1,146.25	1,146.25

For the year ended 31 March 2025

Particulars	Reserve and Surplus				Total
	Capital Reserve	Securities Premium	Other Reserves	Retained Earnings	
Balance as at 1 April 2024	-	-	-	124.06	124.06
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at 1 April 2024	-	-	-	124.06	124.06
Profit/(Loss) for the year				929.15	929.15
Other comprehensive income				0.39	0.39
Total Comprehensive Income	-	-	-	929.54	929.54
Any other change					-
Balance as at 31 March 2025	-	-	-	1,053.60	1,053.60

Notes to the financial statements

1-59

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

As per our report of even date

For ASL & Co.

Chartered Accountants

Firm Registration No.: 101921W

For and on behalf of the Board of Directors of

HPOIL Gas Private Limited

CIN: U23201MH2018PTC317703

sd/-

Shikha Jain

Partner

Membership No.- 136484

sd/-

K Vinod

Chairman

DIN: 09560150

sd/-

VS Chakravarthi

Chief Executive Officer

sd/-

Goutam Maji

Chief Financial Officer

sd/-

Kunjal Singh

Company Secretary

M.No- 36722

Place: Mumbai

Date: 24 April 2026

Place: Mumbai

Date: 24 April 2026

Place: Mumbai

Date: 24 April 2026

Place: Mumbai

Date: 24 April 2026

Place: Mumbai

Date: 24 April 2026

Notes forming part of the Financial Statements for the year ended 31 March 2026
(Amount in INR Lakhs, unless otherwise stated)

1 General Information

HPOIL Gas Private Limited (the "Company") is a private limited company domiciled in India and was incorporated on 30th November 2018 under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at Marathon Futurex, 10th Floor, N.M. Joshi Marg, Lower Parel (East), Mumbai - 400 013. The Company is primarily engaged in the business of selling Compressed Natural Gas (CNG), Piped Natural Gas (PNG) & Compressed bio-gas (CBG). The Company maintains its books of accounts at address other than registered office address, at 1301,13th Floor, Meridian Business Centre, Plot No.27, Sector-30,Vashi Navi Mumbai, Maharashtra- 400 705 pursuant to Section 128 of the Companies Act 2013 (the "Act") read with rule 2A of the Companies (Accounts) Rules 2015.

2 Material Accounting Policy Information

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:-

- i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
- ii) Share based payment transactions
- iii) Embedded derivative
- iv) Asset classified as held for sale and
- v) Specify others, if any.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

(c) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. GST cost attributable to respective assets are added to cost of assets as same is not eligible for input tax credit under GST.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Expenditure during construction period (including manpower and other direct attributable cost for construction of property, plant and equipment) incurred on projects under implementation/development are included under "Capital Work in Progress (CWIP)". These will be attributed to property, plant and equipment on successful commissioning of the project. Further, Head office manpower consisting of Chief Executive Officer and Chief Financial Officer are also primarily engaged in overall planning, execution, supervision and monitoring of the entire project comprising both the Geographical Areas (GA). Accordingly, the manpower deputation cost to the extent of 85% has been transferred to CWIP under respective GA and balance 15% considered as normal administrative expenses under statement of profit & loss. The same policy was followed till Q2 of financial year 2023-24. From Q3 of financial year 2023-24, the management feels that the allocation ratio 60:40 (Capital & Revenue) is fair and reasonable. In Q4 of financial year 2024-25, manpower deputation cost related to CEO, CFO & Finance head was charged in the ratio of 60:40 between Revenue & Capital. Considering the new project of Nagaland GA & completion of existing GAs (i.e., Ambala-Kurukshetra & Kolhapur), the management has reviewed the ratio of distribution of such cost based on the hours spent for the project.

Physical verification of property, plant and equipment is carried out by the company in a phased manner to cover all the items over a period of three years. The discrepancies noticed, if any, are accounted for in the year in which such differences are found. Physical verification excludes sub-surface assets like pipeline network as the company is not in a position to carryout physical verification of such assets.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the Straight Line Method. Depreciation on Property, Plant & Equipment is provided on Straight Line Method. The estimated useful lives of assets are as follows:

Useful Life of Property, plant and equipment	Useful Life
Building	
Buildings (Fencing)	5 years
Buildings (other than factory buildings) other than RCC Frame Structure	30 years
Furniture & Fixtures	10 years
Office Equipment	
Attendance System, Black Toner	3 years
AC, Inverter, UPS, Water Purifier, Microwave	5 years
Conference Equipment, LED	5 Years
Refrigerator and LED Screen	10 years
End user devices such as, desktops, laptops, Printer etc	3 years
Electrical Installations	10 Years

Plant & Machinery	
Hooking up facility	15 Years
Compressors	10 years
CNG Car Dispenser	10 years
CNG Cascade	20 Years
LMC	15 Years
MDPE & Steel Line	25 Years
Electrical equipment	5 Years

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Residual values considered for providing depreciation in accordance with requirement of Schedule - II of the Companies Act, 2013.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Intangible Assets

Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any.

The Company amortized intangible assets over their estimated useful lives using the straight-line method. The estimated useful lives of intangible assets are as follows:

Useful Life of Intangible Assets

Computer Software	5 Years
Trade Mark	10 Years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end and Intangible assets with indefinite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Trademark Registration as per Registration certificate is 10 years from the date of application and may then be renewed for a period of 10 Years and at the expiration of each period of 10 years .

Value shown in "Intangible assets under development" includes majorly ERP software and GIS software developed by the vendor engaged and such softwares categorised as Intangible Assets in the current financial year.

2.4 Revenue from Contracts with Customers

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer including excise duties, as applicable and is measured at the consideration received or receivable, net of returns, taxes or duties collected on behalf of the government and trade discounts or rebates, as applicable.

Transaction price is allocated on each performance obligation and is recognised as and when the particular performance obligation is satisfied either at a point in time or over a period of time.

Sale of goods

Revenue from the sale of goods are recognized when the control of goods have been transferred to the customer. The performance obligation in case of sale of product at a point in time ie., on delivery to the customer or as may be specified in the contract.

The Company earns revenues primarily from sale of natural gas whether in the form of Compressed natural gas (CNG), Piped natural gas (PNG) and Compressed Bio-gas (CBG). Revenue is recognised on supply of gas to customers by metered/assessed measurements. Revenue on sale of CNG & CBG is recognised on sale of gas to customers and billed fortnightly. Revenue on sale of Piped Natural Gas (PNG) is recognised based on completion of delivery. Sales are billed bi-monthly for domestic customers, fortnightly for Industrial & commercial customers.

Rendering of services

Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered. The Company earns revenue from service by rendering PNG household miscellaneous services like stove side changes, minimum billing charges and other O&M activities.

Other Income

Interest Income is recognized on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Income from sale of PNG forms and Income from Tender Fee are recognised when the amount is received from customers/ bidders.

HPOIL Gas Private Limited (HPOIL) recognises Revenue on Liquidated damages (LD) as per agreed purchase order terms and conditions which flow from tender documents. According to the general terms and conditions of Contract and Procurement manual 0.5% per week or part of the week is to be charged as penalty for delay in delivering goods and/or services subject to a maximum of 5% of the total order value. Accordingly, the Company recognises income on account of LD whenever there is a delay on the part of the vendor for reasons solely attributable to them. Revenue on account of liquidated damages is recognised as per the terms and conditions agreed between vendors and the Company by way of PO/WO.

2.5 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.6 Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

- ▶ The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- ▶ An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- ▶ The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- ▶ The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- ▶ Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

2.7 Leases**The Company as a lessee**

The Company's lease asset classes primarily consist of leases for land, office buildings and warehouses. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

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

2.8 Inventories**Inventories are valued at the lower of cost and net realisable value.**

Cost of inventories includes all other costs incurred in bringing the inventories to their present location and condition. Stock of gas is valued at lower of cost computed on First In First Out (FIFO) basis and estimated net realisable value.

Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Excise duty liability, wherever applicable, is included in the valuation of closing inventory of finished goods. Excise duty payable on finished goods is accounted for upon manufacture and transfer of finished goods to the stores. Payment of excise duty is deferred till the clearance of goods from the factory premises.

Based on management's examination inventory account has been adjusted for gains/losses.

2.9 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.10 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets**(i) Initial recognition and measurement**

Financial assets are initially recognised at fair value plus transaction costs directly attributable to their acquisition, except for financial assets classified at FVTPL where such transaction costs are expensed in the Statement of Profit and Loss as incurred.

(ii) Subsequent measurement

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

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

(iii) **Impairment of financial assets**

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

As a rebuttable presumption, the Company considers that a significant increase in credit risk has occurred when a financial asset is more than 30 days past due, unless the Company has reasonable and supportable information to demonstrate otherwise, in accordance with Ind AS 109.5.5.11.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) **Derecognition of financial assets**

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) **Subsequent measurement**

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

Borrowings are initially recognised at fair value net of directly attributable transaction costs. Subsequently, they are measured at amortised cost using the Effective Interest Rate (EIR) method, with finance charges recognised in the Statement of Profit and Loss over the tenure of the borrowing."

(iii) **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(c) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract - with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contract are separated if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

(d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.12 Employee Benefits**(a) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations**(i) Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

2.13 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.14 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.15 Borrowing Cost

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange rate variation to the extent regarded as an adjustment to interest cost.

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset till the month in which the asset is ready for intended use. All other borrowing costs are expensed in the period in which they are incurred.

2.16 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Estimates and assumptions

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

(a) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(b) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 32.

4.1 Standards (including amendments) issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. The applicable notifications & amendments, if any are also complied with during the preparation of financial statements.

4.2 Standards that became effective during the year

There are no new Standards that became effective during the year. The Company has applied certain amendments that became effective during the year which are discussed below:

(a) Interest Rate Benchmark Reform - Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments have no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods as and when it become applicable.

(b) Amendments to Ind AS consequential to Conceptual Framework under Ind AS

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments have no impact on the financial statements of the Company.

(c) Ind AS 103: Business combination

The MCA clarified that for the purpose of this Ind AS, acquirers are required to apply the definition of asset and liability given in the framework for preparation and presentation of financial statements with Indian Accounting standards rather than the conceptual framework. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments have no impact on the financial statements of the Company.

(d) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

In the definition of "Recoverable amount" the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments have no impact on the financial statements of the Company.

(e) Recent amendments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

5 Segment Reporting (Refer Note 35)

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Under the guidance of board of directors, the Chief Executive Officer and Chief Financial Officer assesses the financial performance and position of the Company and makes strategic decisions.

The company has a single operating segment i.e., "Sale of Natural Gas", therefore, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statements themselves as at and for the financial year ended March 31, 2026.

The company operates presently in the business of City Gas Distribution in India. Our major customer is Hindustan Petroleum Corporation Limited (HPCL) where more than 10% of total revenue is accounted.

Notes forming part of the Financial Statements for the year ended 31 March 2026

(Amount in INR Lakhs, unless otherwise stated)

6 Property, Plant and Equipment

		Gross block						Depreciation						Net block	
Notes	As at 1 April 2025	Addition/ Adjustment	Change due to Revaluation	Deduction/ Adjustment	Assets classified as held for sale	As at 31 March 2026	As at 1 April 2025	For the year	Changes due to Revaluation	Deductions/ Adjustments	Assets classified as held for sale	As at 31 March 2026	As at 31 March 2026	As at 01 April 2025	
Owned Assets															
Computers	40.08	2.40	0.00	-0.34	0.00	42.14	34.72	2.71	0.00	0.00	0.00	37.43	4.72	5.36	
Furniture and Fixtures	162.33	0.59	0.00	0.00	0.00	162.92	69.17	13.96	0.00	0.00	0.00	83.13	79.79	93.15	
Office Equipment	39.84	2.11	0.00	0.00	0.00	41.95	31.72	1.76	0.00	0.00	0.00	33.48	8.47	8.12	
Plant and Machinery	52178.59	7349.26	0.00	-107.17	0.00	59420.67	5033.44	2977.96	0.00	0.00	0.00	8011.40	51409.28	47145.15	
Freehold Land	218.56	0.00	0.00	0.00	0.00	218.56	0.00	0.00	0.00	0.00	0.00	0.00	218.56	218.56	
Leasehold Land	274.61	401.35	0.00	2.89	0.00	678.85	17.31	8.70	0.00	0.00	0.00	26.01	652.84	257.30	
Building	1185.57	0.00	0.00	0.00	0.00	1185.57	141.24	35.29	0.00	0.00	0.00	176.53	1009.04	1044.33	
Electrical Installations	114.03	0.00	0.00	0.00	0.00	114.03	38.85	10.61	0.00	0.00	0.00	49.47	64.56	75.18	
Leased Assets															
Right-of-use Assets, except for investment property	33	531.32	148.83	0.00	1.31	0.00	681.46	252.49	66.92	0.00	0.00	0.00	319.41	362.05	278.83
Total	54744.93	7904.54	0.00	-103.31	0.00	62546.15	5618.94	3117.91	0.00	0.00	0.00	8736.86	53809.31	49125.99	

	Gross block							Depreciation						Net block	
	Notes	As at 1 April 2024	Additions/ Adjustments	Changes due to Revaluation	Deduction/ Adjustment	Assets classified as held for sale	As at 31 March 2025	As at 1 April 2024	For the year	Change due to Revaluation	Deductions/ Adjustments	Assets classified as held for sale	As at 31 March 2025	As at 31 March 2025	As at 01 April 2023
Owned assets															
Computers		38.87	1.50	-	-0.29	-	40.08	31.07	3.65	-	-	-	34.72	5.36	7.80
Furniture and Fixtures		161.91	0.42	-	0.00	-	162.33	55.23	13.94	-	-	-	69.17	93.16	106.67
Office Equipment		37.89	1.95	-	0.00	-	39.84	26.76	4.96	-	-	-	31.72	8.12	11.13
Plant and Machinery*		31,404.72	20,773.87	-	0.00	-	52,178.59	3,018.58	2,014.86	-	-	-	5,033.44	47,145.15	28,386.14
Freehold Land		218.56	0.00	-	0.00	-	218.56	0.00	0.00	-	-	-	0.00	218.56	218.56
Leasehold Land		274.61	0.00	-	0.00	-	274.61	14.42	2.89	-	-	-	17.31	257.30	260.19
Building		1,185.57	7.89	-	-7.89	-	1,185.57	105.95	35.29	-	-	-	141.24	1,044.33	1,079.62
Electrical Installations		114.03	0.00	-	0.00	-	114.03	28.24	10.61	-	-	-	38.85	75.18	85.79
Right-of-use Assets, except for investment property		521.00	17.05	-	-6.73	-	531.32	190.29	62.20	-	-	-	252.49	278.83	330.71
Total		33,957.16	20,802.68	-	-14.91	-	54,744.93	3,470.54	2,148.40	-	-	-	5,618.95	49,125.99	30,486.62

The Company has all the title deeds of immovable property in its own name as at 31 March 2026

*Capitalization in property, plant and equipment from Capital work in progress of gas stations are done component wise with useful life given to each component, hence decommissioning are not required.

*Common cost on the project allocated during the year and depreciation charged for the current period as well as the previous year accordingly.

Assets shown in Property, Plant & Equipments are categorised as "Owned Assets" & "Leases Assets". Leasehold land has been shown separately during the year and accordingly, previous year figures are regrouped.

7 Capital work-in-progress

Description of the assets	Steel Pipeline	CNG & CGS	Mother Station (Kolhapur)	MDPE & Last mile connectivity	Provisions	DRS	Nagaland GA	Total
Carrying amount								
Cost as at the beginning of the year	546.13	1538.53	0.00	10368.37	754.44	115.27	22.68	13322.74
Common cost							0	3875.33
Carrying amount							22.68	17198.07
Additions/(reduction) during the period	380.82	672.35	0.00	2139.09	-790.15	0.00	1412.62	3814.73
Less : Capitalisations during the year	509.48	1001.03	0.00	4439.43	0.00	0.00	0.00	5949.94
Less : Impairment during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Add: Impairment reversed during the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at March 31, 2026	417.47	1209.85	0.00	8068.03	-35.71	115.27	1435.30	15062.86
As at March 31, 2025	546.13	1538.53	0.00	10368.37	754.44	115.27	22.68	17198.07

(a) For Capital-work-in progress ageing schedule

31 March 2026

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,814.73	11,248.13	0.00	-	15,062.86
Projects temporarily suspended	-	-	-	-	-

31 March 2025

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	17,198.07	0.00	0.00	-	17,198.07
Projects temporarily suspended	-	-	-	-	-

8 Intangible Assets

	Gross block							Amortisation					Net block	
	As at 1 April 2025	Additions - being internally developed	Additions/ Adjustments	Changes due to Revaluation	Deductions/ Adjustment	Assets classified as held for sale	As at 31 March 2026	As at 1 April 2025	For the year	Changes due to Revaluation	Deductions/ Adjustments	Assets classified as held for sale	As at 31 March 2026	As at 31 March 2026 As at 01 April 2025
Computer Software	197.11	-	-	-	-	-	197.11	39.05	37.39	-	-	-	76.44	120.67 158.06
HPOIL Trademark	0.50	-	-	-	-	-	0.50	0.29	0.05	-	-	-	0.34	0.16 0.21
Intangible asset under development (Refer Note 8.1 below)	0.00	-	-	-	-	-	0.00	0.00	0.00	-	-	-	0.00	0.00 0.00
Total	197.61	-	-	-	-	-	197.61	39.34	37.44	-	-	-	76.78	120.83 158.27
	Gross block							Amortisation					Net block	
	As at 1 April 2024	Additions - being internally developed	Additions/ Adjustments	Changes due to Revaluation	Deduction/ Adjustment	Assets classified as held for sale	As at 31 March 2025	As at 1 April 2024	For the year	Changes due to Revaluation	Deductions/ Adjustments	Assets classified as held for sale	As at 31 March 2025	As at 31 March 2025 As at 1 April 2024
Computer Software	27.27	0.00	170.08	-	-0.24	-	197.11	10.43	28.62	-	-	-	39.05	158.06 16.84
HPOIL Trademark	0.50	0.00	0.00	-	-	-	0.50	0.24	0.05	-	-	-	0.29	0.21 0.26
Intangible asset under development (Refer Note 8.1 below)	115.00	0.00	0.00	-	115.00	-	0.00	0.00	0.00	-	-	-	0.00	0.00 115.00
Total	142.77	0.00	170.08	-	114.76	-	197.61	10.67	28.67	-	-	-	39.34	158.27 132.10

HPOIL Trademark & Computer software have been shown in "Intangible assets" and are regrouped & restated the figures accordingly.

8 Intangibles under development

	Opening 01.04.2025	Addition	Deduction	Closing 31.03.2026
Intangible Asset under Development	0.00	3.25	0.00	3.25
	0.00	3.25	0.00	3.25
	Opening 01.04.2024	Addition	Deduction	Closing 31.03.2025
Intangible Asset under Development	115	0.00	115	0.00
	115.00	0.00	115.00	0.00

(a) Intangible assets under development ageing schedule

31 March 2026

Intangible Assets Under Development	Amount in Intangible under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.25	-	-	-	3.25
Projects temporarily suspended	-	-	-	-	-

31 March 2025

Intangible Assets Under Development	Amount in Intangible Assets under development for a				Total
	Less than 1 year	1-2 years	2-3Years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

There are no projects whose completion is overdue or whose cost has exceeded its original plan as on 31 March 2026.

Notes forming part of the Financial Statements for the year ended 31 March 2026

(Amount in INR Lakhs, unless otherwise stated)

9 Other non-current assets	31 March 2026	31 March 2025
Security Deposit held with third parties	300.13	360.06
Deposits with banks	294.28	254.94
Misc. Expenditure	51.76	0.00
Rental deposit	12.21	0.00
Total other non-current assets	658.38	615.00

Under Deposit with Banks, the company has created Fixed Deposits for creation of Bank guarantee to be submitted to various parties out of which one Fixed Deposit was created for NABFID against DSRA as per loan agreement which will be on lien.

Balances with banks held as margin money or security against borrowings, guarantees and other commitments

Particulars	31 March 2026	31 March 2025
Fixed deposits pledged as margin money against Outstanding Bank		
Guarantees issued by Bankers	173.74	254.94
Fixed deposits pledged as security against facilities from NABFID	120.54	0.00
	294.28	254.94

10 Inventories

	31 March 2026	31 March 2025
Natural Gas stock (lower of cost and net realizable value)	94.21	95.11
Total inventories	94.21	95.11

The valuation of natural gas been done in accordance with notes to accounts specifically mentioned in Note 2.8. The inventories includes only natural gas which flows through Pipelines & cascades and such balance in quantity are recorded on the last date of the financial year.

Notes forming part of the Financial Statements for the year ended 31 March 2026
(Amount in INR Lakhs, unless otherwise stated)

11 Trade receivable

	Current	
	31 March 2026	31 March 2025
Secured, considered good	0.00	0.00
Unsecured		
-Considered good	1832.77	1402.18
-Considered doubtful	0.00	0.00
Less-Allowance for bad and doubtful debts	0.00	0.00
	0.00	0.00
Receivables which have significant increase in Credit Risk		
Less : Allowance for bad and doubtful debts	0.00	0.00
Credit impaired	0.00	0.00
Less : Allowance for bad and doubtful debts	0.00	0.00
	<u>1832.77</u>	<u>1402.18</u>
Further classified as:		
Receivable from related parties (Refer Note 34)	1124.81	889.39
Receivable from others	707.96	512.79
	<u>1832.77</u>	<u>1402.18</u>

Ageing of Trade Receivables

31 March 2026		Current						
Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	-	-	1,832.77	-	-	-	-	1,832.77
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	-	-
	-	-	1,832.77	-	-	-	-	1,832.77

31 March 2025		Current						
Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	-	-	1,402.18	-	-	-	-	1,402.18
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	-	-
	-	-	1,402.18	-	-	-	-	1,402.18

Notes forming part of the Financial Statements for the year ended 31 March 2026

(Amount in INR Lakhs, unless otherwise stated)

12 Cash and cash equivalents	31 March 2026	31 March 2025
Balances with banks:		
in current accounts	297.14	198.37
Fixed deposits with maturity of less than 3 months	-	1,480.00
Cash on hand	2.42	3.30
	299.56	1,681.67

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior periods.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Cash and cash equivalents	31 March 2026	31 March 2025
Balances with banks:		
In current accounts	297.14	198.37
Fixed deposits with maturity of less than 3 months	0.00	1480.00
Cash on hand	2.42	3.30
	299.56	1681.67

13 Other financial assets	31 March 2026	31 March 2025
Interest Accrued but not Due	3.38	114.34
Debtors for Unbilled Revenue	350.77	189.41
Deposit receivable	4.96	0.00
Insurance Claim receivable#	182.09	0.00
Other Receivable	97.87	0.00
Advances to vendors	0.93	0.00
	640.00	303.76

#The company lodged insurance claim amounting to Rs. 182.09 Lacs to the insurer against which we have received written confirmation from the insurer that such claim will be settled near future.

13A Other Current assets	31 March 2026	31 March 2025
TDS on Accrued Interest	0.40	9.59
TDS Receivable	35.68	26.96
Prepaid Expenses	133.13	18.91
Prepaid Lease Rent	3.48	0.00
Receivable from Tax authorities	24.00	0.00
	196.69	55.46

Notes forming part of the Financial Statements for the year ended 31 March 2026

(Amount in INR Lakhs, unless otherwise stated)

14 Share capital

(A) Equity shares

	31 March 2026	31 March 2025
Authorized		
25,20,00,000 Equity Shares of INR 10/- each (19,20,00,000 Equity Shares of INR 10/- each during PY)	25,200	19,200
	25,200	19,200
Issued, subscribed and paid up		
22,40,00,000 Equity shares of INR 10/- each fully paid (19,20,00,000 crore Equity shares of INR 10/- each fully paid during PY)	22,400	19,200
Total	22,400	19,200

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year	31 March 2026		31 March 2025	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	192000000.00	19200.00	192000000.00	19200.00
Add: Issued during the year	32000000.00	3200.00	0.00	0.00
Outstanding at the end of the year	224000000.00	22400.00	192000000.00	19200.00

(ii) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares of Rs. 10 Per Share. Each shareholder is entitled to one vote per share held. They entitle the holders to participate in dividends and dividend, if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Shares held by Joint Venturer	31 March 2026	31 March 2025
Oil India Limited		
11,20,00,000 (31 March 2026); 9,60,00,000 (31 March 2025)	11200.00	9600.00
Hindustan Petroleum Corporation Limited		
11,20,00,000 (31 March 2026); 9,60,00,000 (31 March 2025)	11200.00	9600.00

(iv) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	31 March 2026		31 March 2025	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of INR 10 each fully paid				
Hindustan Petroleum Corporation Limited	11,20,00,000	50%	9,60,00,000	50%
Oil India Limited	11,20,00,000	50%	9,60,00,000	50%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(v) Details of Shares held by Promoters at the end of the year		31 March 2026			31 March 2025		
		No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year
S No	Promoter Name						
1	OIL India Limited	11,20,00,000	50%	17%	9,60,00,000	50%	0.00%
2	Hindustan Petroleum Corporation Limited	11,20,00,000	50%	17%	9,60,00,000	50%	0.00%
	Total	22,40,00,000	100%		19,20,00,000	100%	0.00%

No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(vi)

(vii) No class of shares have been bought back by the Company during the period.

15 Other equity

Surplus/(deficit) in the Statement of Profit and Loss

	31 March 2026	Restated 31 March 2025
Opening balance	1053.60	124.06
Add: Net Profit/(loss) for the current year	92.65	929.54
Add: Impact due to prior period items	0.00	0.00
Closing balance	1146.25	1053.60
Total Other Equity	1146.25	1053.60

16 Non-current borrowings

Secured

(a) Term loan

From Bank

INR bank loan	1271.43	1770.81
Total current Maturities of Long-term Borrowings	1271.43	1770.81
INR bank loan	40685.72	41749.75
Total Non current Maturities of Long-term Borrowings	40685.72	41749.75
Total of Long-term Borrowings	41957.15	43520.56

Terms of repayment

During the 3rd Quarter of current financial year, term loan from Canara Bank was transferred to national Bank for Financing in Infrastructure & Development (NABFID) through refinancing of outstanding balance existing loan Rs 423.81 Crores named as RTL-1. For Nagaland GA, we have made an arrangement of Rs 425 crores project loan named as RTL-2. However, we have not used RTL-2 till the end of the financial year. As per the agreement, Interest on such project loan under both RTL-1 & RTL-2 will be charged as 6 Month NLR (Nabfid lending rate plus 0.14% spread) which is 7.59% p.a effective from Oct 2025. Under RTL-1, the loan is repayable in 50 instalments and the principal repayment as per the loan agreement dated August 12, 2025 stated as below:

Repayment Schedule for Secured Loan

FY Ending 31 March	No of Qtrs. of repayment	% of repayment per Qtr	Amount per Qtr	% repayment during the FY	Amount per FY
2026	2	0.500%	2.12	1.000%	4.24
2027	4	0.750%	3.18	3.000%	12.71
2028	4	1.000%	4.24	4.000%	16.95
2029	4	1.250%	5.30	5.000%	21.19
2030	4	1.500%	6.36	6.000%	25.43
2031	4	1.500%	6.36	6.000%	25.43
2032	4	1.750%	7.42	7.000%	29.67
2033	4	1.750%	7.42	7.000%	29.67
2034	4	2.250%	9.54	9.000%	38.14
2035	4	2.500%	10.60	10.000%	42.38
2036	4	3.000%	12.71	12.000%	50.86
2037	4	3.500%	14.83	14.000%	59.33
2038	4	4.000%	16.95	16.000%	67.81
Total		25.250%	107.01	100.00%	423.81

Financial Covenants:

In the event of any adverse deviation from stipulated levels in any two or more out of the financial covenants given below, during any year of the currency of the facility, the borrower shall pay in the event of non-adherence with the stipulated financial covenants, penal interest at the rate of 25 basis points (0.25%) per annum shall be levied on the outstanding facility amount for the period of such non-compliance.

(a) Interest Coverage Ratio:

Financial Year	Covenant
2026	1.40x
2027	1.40x
2028 & onwards	1.50x

(b) Gross Debit Service Coverage Ratio (GDSCR) of 1.25 times

(c) Fixed Asset Coverage Ratio (FACR) of 1.25 times

(d) Long Term Debt/EBITDA Ratio as per the following:

Financial Year	Particular
FY 2026 and FY 2027	<=6x
FY 2028, FY 2029 & FY 2030	<=5x
2031 & onwards	<=4x

Financial ratios to be tested at the end of each Fiscal Year based on the Audited Financial Statement of the Borrower along with the certification of the statutory auditor of the Borrower.

Assets Pledged as Security against the Term

- (a) a first ranking Security Interest on all the immovable properties of the Company, both present and future;
- (b) a first ranking charge on all the movable properties and assets of the Company, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future;
- (c) a first ranking charge on the accounts under the Trust and Retention Account to be set up to capture the cash flows from the Project, including all the Permitted Investments;
- (d) a first ranking charge on the current assets of the Company including operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future.

Debt Service Reserve Account (DSRA)

As per the agreement, the company is required to create debt service Reserve Account (DSRA) to meet the debt service requirement for the ensuing three months' principal and interest payment due in RTL-1 facility & RTL-2 facility separately. In lieu of cash DSRA, the company may provide a Bank Guarantee (BG) equivalent to the quarterly obligation. Accordingly, the company has created DSRA with a mixture of Bank guarantee & Fixed deposit (lien with NABFID) with an amount Rs 10 Cr & Rs 1.2 cr respectively.

Notes forming part of the Financial Statements for the year ended 31 March 2026
(Amount in INR Lakhs, unless otherwise stated)

17 Trade payables

	31 March 2026	31 March 2025
Total outstanding dues of micro enterprises and small enterprises	334.83	156.33
Total outstanding dues of creditors other than micro enterprises and small enterprises	1773.73	1414.52
Total trade payables (II)	2108.56	1570.85

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	31 March 2026	31 March 2025
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	334.83	156.33
Interest	0.00	0.00
Total	334.83	156.33
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the	0.00	0.00
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond	0	0
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-
(f) The above information has been compiled in respect of parties to the extent identified by the company as Micro, Small and Medium Enterprises, on the basis of information available with the Company.	-	-

Trade Payables ageing schedule

31 March 2026	Particulars					
Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment			
			Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	-	265.41	12.99	56.43	-
(ii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Others	-	-	1,698.79	36.02	38.91	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	-	-	1,964.20	49.01	95.34	-

31 March 2025	Particulars					
Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment			
			Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	-	129.19	2.27	24.87	-
(ii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Others	-	-	1,304.46	76.85	33.21	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	-	-	1,433.65	79.12	58.08	-

The above information has been compiled in respect of parties to the extent identified by the company as Micro, Small and Medium Enterprises, on the basis of information available with the Company.

Notes forming part of the Financial Statements for the year ended 31 March 2026

(Amount in INR Lakhs, unless otherwise stated)

18 Other financial liabilities	31 March 2026	31 March 2025
Creditors for capital expenses		
-related parties (refer note 34)	490.20	352.62
-others	1268.25	1360.13
Security Deposits from Customers	1217.67	963.22
Other financial liabilities	61.04	0.00
Working capital loan from ICICI bank	437.47	0.00
Total Other financial liabilities	3474.63	2675.97

The company has arranged unsecured working capital loan arrangement from ICICI Bank Rs. 50 crores which can be used fund-based or non-fund based interchangeably. The rate of interest stipulated in the agreement on fund based facility is I-MCLR-6M plus 0.25% spread.

19 Other current liabilities	31 March 2026	31 March 2025
Statutory dues payable (Refer Note No: 37)	107.38	75.61
Earnest money deposit	4.99	2.69
Others	6.96	60.50
Provisions for Goods and services	752.44	1667.26
Total other current liabilities	871.77	1806.06

20 Provisions	31 March 2026	31 March 2025
<u>Provision for employee benefits</u>		
Provision for gratuity	11.51	9.03
Provision for leave encashment	1.74	1.70
Total Provisions	13.25	10.73

Notes forming part of the Financial Statements for the year ended 31 March 2026
(Amount in INR Lakhs, unless otherwise stated)

	2025-2026	2024-2025
21 Revenue from operations		
Revenue from contracts with customers		
-Sale of goods	34993.20	28207.81
-Sale of services	0.00	66.53
	34993.20	28274.34
Other operating revenue	1.87	15.65
Total revenue from operations	34995.07	28289.99
22 Other income	2025-2026	2024-2025
Interest income on Income Tax Refund	2.81	1.26
Interest income on Fixed Deposits	85.60	232.82
Liquidated Damages	3.81	0.16
Miscellaneous income	25.07	2.23
Total other income	117.29	236.46
23 Cost of material consumed	2025-2026	2024-2025
Inventory at the beginning of the year	0.00	0.00
Add: Purchases	25182.59	19809.24
Less: Inventory at the end of the year	0.00	0.00
Cost of raw material consumed	25182.59	19809.24
24 Changes in inventories of finished goods, stock-in-trade and work-in-progress	2025-2026	2024-2025
Inventories at the beginning of the year		
-Natural Gas	95.11	196.51
	95.11	196.51
Less: Inventories at the end of the year		
-Natural Gas	94.21	95.11
	94.21	95.11
Net (increase)	0.90	101.40
25 Employee benefits expense	2025-2026	2024-2025
Salaries, wages, bonus and other allowances	201.39	156.69
Contribution to Provident Fund and ESI	14.10	12.17
Gratuity and compensated absences expenses (Refer Note 32)	3.20	3.32
Total employee benefits expense	218.70	172.18
26 Manpower Deputation Expenses	2025-2026	2024-2025
Manpower Deputation Expenses related to promoters' deputed employees (Refer Note - 51A)	183.25	81.44
	183.25	81.44
27 Finance costs	2025-2026	2024-2025
Interest on borrowing	2870.75	2187.14
Interest Expense on lease liability	21.06	22.99
Interest Expense on Defined Benefit obligations (Gratuity)	0.71	0.40
Interest on Site restoration	0.04	0.00
Total finance costs	2892.56	2210.54
28 Depreciation and amortization expense	2025-2026	2024-2025
Depreciation (Refer Note 6)	2990.78	2081.93
Amortization on Intangible Assets (Refer Note 6 & 8)	37.44	28.67
Amortisation of Lease Assets	75.63	62.20
Amortization expenditure	12.94	0.00
Total depreciation and amortization expense	3116.79	2172.74

29 Other expenses

	(Amount in Lakhs)	
	2025-2026	2024-2025
Audit fee(*)	9.80	8.81
Bank charges	9.91	7.82
BG Commission Charges	212.87	134.48
Cloud Usage charges	19.66	11.95
CSR Expenses	17.61	8.42
Electricity	387.49	300.61
Insurance premium	49.39	17.08
Manpower services	97.93	220.70
Miscellaneous expenses	192.07	204.68
Operation & Maintenance Exp for CNG station	1487.11	1204.95
Operation and Maintenance Expenses for PNG	617.65	518.82
OMC Facility Charges	299.57	190.94
PNG Registration Charges	10.40	26.91
PNGRB Bidding fees	0.00	60.15
Printing and stationary	7.19	4.90
Professional Fees & services	121.68	79.88
Rent, rates & taxes	25.55	24.06
Statutory charges	2.08	2.59
Travelling & conveyance	1.46	1.38
Total other expenses	3569.42	3029.12

Previous other expenses has been regrouped for better comparison with the current year other expenses. PNG Operation and Maintenance expenses are related to O&M Activities incurred in relation to PNG domestic households.

*Note : The following is the break-up of Auditors remuneration

	2025-2026	2024-2025
As auditor:		
Statutory audit	2.09	1.89
In other capacity:	-	-
Limited Review	2.21	1.89
Reimbursement of expenses		
Other auditors fees	5.50	5.03
Total	9.80	8.81

30 Income Tax and Deferred Tax

(A) Deferred tax relates to the following:

	2025-2026	2024-2025
Deferred tax assets/ (Deferred Tax Liabilities)		
Lease Liabilities net of ROU Assets	8.14	7.66
On disallowance u/s 35D of Income Tax Act, 1961	-	-
On property, plant and equipment	-2,919.26	-2,097.43
Brought forward business losses	2,559.86	1,598.40
Gratuity & Leave encashment	3.34	
	-347.92	-491.37
Deferred tax Expenses	-	-
Less: Deferred tax asset/(liability) not recognized	-	-
Deferred tax assets/ (Deferred Tax Liabilities)	-347.92	-491.37

(B) Recognition of deferred tax asset to the extent of deferred tax liability

	2025-2026	2024-2025
Balance sheet		
Deferred tax asset	2571.34	1606.06
Deferred tax liabilities	-2919.26	-2097.43
Deferred tax assets/ (liabilities), net	-347.92	-491.37

(C) Reconciliation of deferred tax assets/ (liabilities) (net):

	2025-2026	2024-2025
Opening balance	58.11	37.48
Tax liability recognized in Statement of Profit and Loss	-143.71	20.63
Closing balance	-85.60	58.11

(D) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss

	2025-2026	2024-2025
Tax liability	-143.71	20.63
	-143.71	20.63

Notes forming part of the Financial Statements for the year ended 31 March 2026

(Amount in INR Lakhs, unless otherwise stated)

31 Earnings/ Loss per share

Basic earnings / (loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings / (loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	2025-2026	2024-2025
Profit/(Loss) attributable to equity holders	91.87	929.15
Less: preference dividend after-tax	0.00	0.00
Loss attributable to equity holders after preference dividend	91.87	929.15
Add: Interest on convertible preference shares	0.00	0.00
Profit/(Loss) attributable to equity holders adjusted for the effect of dilution	91.87	929.15
Weighted average number of equity shares for basic EPS	21,50,57,534	19,20,00,000
Effect of dilution:		
Share options	-	-
Convertible preference shares	-	-
Weighted average number of equity shares adjusted for the effect of dilution	21,50,57,534	19,20,00,000
Basic Earning per share (INR)	0.04	0.48
Diluted earning per share (INR)	0.04	0.48

32 Employee benefits**(A) Defined Contribution Plans**

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss - Employers' Contribution to Provident Fund

2025-2026	2024-2025
13.55	11.69

(B) Defined benefit plans

a) Gratuity payable to employees

i) Actuarial assumptions

Discount rate (per annum)	
Rate of increase in Salary	
Expected average remaining working lives of employees (years)	
Attrition rate	

ii) Changes in the present value of defined benefit obligation

Employee's gratuity fund		
	2025-2026	2024-2025
Present value of obligation at the beginning of the year	9.03	5.71
Interest cost	0.71	0.40
Past service cost	0.00	0.00
Current service cost	3.20	3.32
Actuarial (gain)/ loss on obligations	-1.43	-0.40
Present value of obligation at the end of the year*	11.51	9.03

*Included in provision for employee benefits (Refer note 20)

iii) Expense recognized in the Statement of Profit and Loss

Employee's gratuity fund		
	2025-2026	2024-2025
Current service cost	3.20	3.32
Past service cost	0.00	0.00
Interest cost	0.71	0.40
Actuarial (gain) / loss on obligations	0.00	0.00
Total expenses recognized in P&L	3.91	3.72

iv) Assets and liabilities recognized in the Balance Sheet:

Employee's gratuity fund		
	2025-2026	2024-2025
Present value of unfunded obligation as at the end of the year	11.51	9.03
Unrecognized actuarial (gains)/losses	-	-
Unfunded net asset / (liability) recognized in Balance Sheet*	11.51	9.03

*Included in provision for employee benefits (Refer note 20)

v) A quantitative sensitivity analysis for significant assumption as at 31 March 2024 is as shown below:

Employee's gratuity fund		
	2025-2026	2024-2025
Impact on defined benefit obligation		
Discount rate		
0.5% increase	10.05	8.16
0.5% decrease	12.68	10.02
Rate of increase in salary		
0.5% increase	12.69	10.03
0.5% decrease	10.45	8.15

33 Leases where company is a lessee

(Amount in Lakhs)

(A)(ia) Changes in the carrying value of Right-of-use Assets

Particulars	Category of ROU Asset		
	Building	Land	Total
Balance as at 1 April 2021	107.48	271.73	379.21
Additions	-	-	-
Deletion	-	-	-
Depreciation	37.70	2.88	40.58
Balance as at 31 March 2022	69.78	268.85	338.63
Additions	134.56	-	134.56
Deletion	-	-	-
Depreciation	36.70	2.89	39.59
Balance as at 31 March 2023	167.64	265.96	433.60
Additions	213.98	-	213.98
Deletion	-	-	-
Depreciation	53.80	2.88	56.68
Balance as at 31 March 2024	327.82	263.08	590.90
Additions	17.05	0.00	17.05
Deletion	6.59	0.00	6.59
Depreciation	62.34	2.89	65.23
Balance as at 31 March 2025	275.94	260.19	536.13
Additions	144.93	401.35	546.28
Deletion	0.00	0.00	0.00
Depreciation	62.50	8.71	71.21
Balance as at 31 March 2026	358.37	652.83	1,011.20

(ib) Changes in the Lease liabilities

Particulars	Category of ROU Asset		
	Building	Land	Total
Balance as at 1 April 2021	113.67	-	113.67
Additions	-	-	0.00
Lease Payments	36.44	-	36.44
Balance as at 31 March 2022	77.23	-	77.23
Additions	108.14	-	108.14
Lease Payments	8.87	-	8.87
Balance as at 31 March 2023	176.50	-	176.50
Additions	213.92	-	213.92
Lease Payments	46.84	-	46.84
Balance as at 31 March 2024	343.58	-	343.58
Additions	10.46	-	10.46
Lease Payments	47.68	-	47.68
Balance as at 31 March 2025	306.36	-	306.36
Additions	144.94	-	144.94
Lease Payments	56.91	-	56.91
Balance as at 31 March 2026	394.39	-	394.39

(ii) Break-up of current and non-current lease liabilities

Particulars	2025-2026		2024-2025	
Current Lease Liabilities		71.85		51.77
Non-current Lease Liabilities		322.54		254.99

(iii) Maturity analysis of lease liabilities

Particulars	2025-2026		2024-2025	
Less than one year		71.85		51.77
One to five years		234.90		191.70
More than five years		87.64		62.80
Total		394.39		306.27

(iv) Amounts recognised in statement of Profit and Loss account

Particulars	2025-2026		2024-2025	
Other Expenses				
Short-term lease rent expense		25.55		24.06
Low value asset lease rent expense		0.00		0.00
Depreciation and Amortisation Expenses				
Depreciation of right of use lease asset		75.63		65.09
Finance cost				
Interest expense on lease liability		21.06		22.99
Total		122.23		112.14

(v) Amounts recognised in statement of Cash Flows

Particulars	2025-2026		2024-2025	
Total Cash flow for leases		88.03		-37.22

33A Provision for restoration cost on lease

Particulars	2025-2026		2024-2025	
Provision for restoration cost		3.94		0.00

34 Related Party Disclosures: 31 March 2026

(Amount in Lakhs)

(A) Names of related parties and description of relationship as identified and certified by the Company:

Holding Company

Hindustan Petroleum Corporation Limited ("HPCL")

Oil India Limited ("OIL")

Entities under common control

Hindustan Colas Pvt Limited
 HPCL Renewable & Green Energy Limited
 HPCL Mittal Energy Limited
 HPCL LNG Limited
 HPCL Biofuels Limited
 HPCL Middle East FZCO
 Prize Petroleum Co. Ltd
 HPCL Rajasthan Refinery Ltd
 Bhagyanagar Gas Limited
 Petronet MHB Limited
 Prize Petroleum International Pte. Limited
 Mumbai Aviation Fuel Farm Facility Private Limited
 Godavari Gas Pvt. Ltd
 Avantika Gas Limited
 Ratnagiri Refinery & Petrochemicals Ltd
 IHB Limited
 South Asia LPG Company Private Limited
 GSPL India Gasnet Ltd
 GSPL India Transco Ltd
 Mangalore Refinery and Petrochemicals Limited
 OIL India Sweden, AB, Sweden
 Oil India (USA) Inc, USA
 Oil India International B.V.
 Oil India International Pte. Ltd.
 Numaligarh Refinery Limited
 Oil Green Energy limited
 Beas Rovuma Energy Mozambique Limited
 Sunetra Nigeria 205 Ltd, Nigeria
 DNP Limited
 Indoil Netherlands B.V.
 Tass India Pte. Ltd
 Vankor India Pte. Ltd
 LLC Bharat Energy Office
 WorldAce Investment Limited
 Indradhanush Gas Grid Limited
 Assam Petrochemicals Ltd
 Purba Bharati Gas Private Limited
 North East Gas Grid Distribution Co. Ltd
 Assam Bio Ethanol Private Limited
 APGCL OIL Green Power Limited

Key Management Personnel (KMP)

VS Chakravarthi (CEO from 01.01.2025)

Goutam Maji (CFO from 10.04.2024)

Kunjal Singh (CS)

Directors

K Vinod (Director)

Ranjan Goswami (Director w.e.f. 30.04.2024 till 28.02.2026)

Sachidananda Maharana (Director W.e.f 18.04.2024 till 18.04.2025)

Vadrevu Muralikrishna (Director W.e.f 11.02.2025)

Abhijit Das (director W.e.f 24-04-2025)

Raghunath Mishra (w.e.f 01.03.2026)

(B) Details of transactions with related party in the ordinary course of business for the year ended:

(i) **Holding Company - Oil India limited**

Manpower deputation expenses - P&L

Manpower Deputation - CWIP

Bank guarantee Commission - P&L

Total

2025-2026	2024-2025
113.77	61.59
86.69	114.81
124.21	106.30
324.67	282.70

(ii) **Holding Company - Hindustan Petroleum Corporation Limited**

Manpower deputation expenses - P&L

Sales

Manpower Deputation - CWIP

Bank guarantee Commission - P&L

2025-2026	2024-2025
69.48	19.85
22018.45	17401.16
171.46	107.04
88.05	28.17
22347.44	17556.22

(iii) **Transactions with Key Managerial Personnel****As Employee Benefit Expenses**

Kunjal Singh

Srinivas Kollati

2025-2026	2024-2025
10.63	9.71
-	46.77
10.63	56.48

(C) Amount due to related party as on:

(Amount in Lakhs)

Holding Company	2025-2026	2024-2025
Oil India Limited	267.14	226.01
Hindustan Petroleum Corporation Limited	355.13	147.24

(D) Amount due from related party as on:

Hindustan Petroleum Corporation Limited	1124.81	889.39
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(E) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and interest free. There have been no guarantees provided or received for any related party receivables or payables.

35 Segment reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Under the guidance of board of directors, the Chief Executive Officer and Chief Financial Officer assesses the financial performance and position of the Company and makes strategic decisions.

The company has a single operating segment i.e., "Sale of Natural Gas", therefore, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statements themselves as at and for the financial year ended March 31, 2026.

The company operates presently in the business of City Gas Distribution in India. Our major customer is Hindustan Petroleum Corporation Limited (HPCL) where more than 10% of total revenue is accounted. However, we are presenting segment-wise revenue data as under:

Segment wise data	FY 2025-26		FY 2024-25	
	A-K GA	Kolhapur GA	A-K GA	Kolhapur GA
(I) CNG Segment	11459.84	17288.70	9917.92	12534.4
(II) PNG Segment				
PNG (Industrial)	1139.42	2528.43	899.57	2423
PNG (Commercial)	647.56	137.34	393.34	132.64
PNG (Domestic)	1028.65	763.25	831.96	472.23

36 Fair values of financial assets and financial liabilities

The fair value of other current financial assets, cash and cash equivalents, trade receivables, investments trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

Financial Assets and Liabilities

The carrying value of financial instruments by categories as at March 31, 2026 is as follows:

	AS AT 31-03-2026	AS AT 31-03-2025
Financial Assets		
<u>Amortised Cost</u>		
Trade Receivables	1832.77	1402.18
Cash & Cash Equivalents	299.56	1681.67
Other Financial Assets	640.00	303.76
Total	2,772	3,388
Financial Liabilities		
<u>Amortised Cost</u>		
Borrowings	41957.15	43520.56
Trade Payables	2108.55	1570.85
Lease Liability	394.39	306.36
Other Financial Liabilities	3474.63	2675.97
Total	47,935	48,074

Note:

Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

Fair Value Hierarchy

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

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly.

Level 3 - Inputs are not based on observable market data (unobservable inputs).

For Assets and Liabilities which are measured at Fair Values as at the Balance Sheet date, the classification of fair value calculations by category is summarized below:

	AS AT 31-03-2026	AS AT 31-03-2025
Financial Assets		
Level 3		
Security Deposit Given	12.21	0.00
Total	12.21	0.00
Financial Liabilities		
Level 3		
Lease Liability	394.39	306.36
Total	394.39	306.36

Measurement of Fair Values :

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

The fair values of interest free security deposit given and lease liability are estimated by discounting cash flows using rates currently available for instruments with similar terms, credit risks and remaining maturities. Management regularly assesses a range of reasonably possible alternatives for observable inputs and determines their impact on the total fair value.

Notes forming part of the Financial Statements for the year ended 31 March 2026

- 37 The Company has deposited total excise liability of Rs 3297.19 Lakhs as on 31.03.2026.
- 38 **Relationship with Struck off Companies** under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,
The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 39 **Registration of charges or satisfaction with Registrar of Companies**
The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 40 **Compliance with number of layers of companies**

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- 41 **Utilisation of Borrowed funds and share premium:**
(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- 42 **Benami Property Held:** There have been no proceedings that have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- 43 The Company has not taken any borrowings from banks or financial institutions on the basis security of current assets during the current financial year.
- 44 During the current Financial year the company has not granted any loans or advances in nature of loans either repayable on demand or without specifying any terms or period of repayment to related parties (Promoters, Directors, KMP & the related parties as defined in Companies Act, 2013)

Notes forming part of the Financial Statements for the year ended 31 March 2026

(Amount in INR Lakhs, unless otherwise stated)

45 Ratios

S No.	Ratio	Formula	Particulars		31 March 2026		31 March 2025		Ratio as on		Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	31 March 2026	31 March 2025		
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale + Other Financial Assets	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	3,063	7,811	3,538	7,886	0.39	0.45	-12.60%	Variation with in 25% change
(b)	Debt-Equity Ratio	Debt / Equity	Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability	Equity= Equity + Reserve and Surplus	41,957	23,546	43,521	20,254	1.78	2.15	-17.07%	Variation with in 25% change
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	6,101	4,663	5,312	3,108	1.31	1.71	-23.46%	Variation with in 25% change
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profits after taxes - Preference Dividend	Shareholder's Equity	93	22,400	930	19,200	0.00	0.05	25.00%	Variation with in 25% change
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	25,183	95	19,911	146	266.04	136.37	95.08%	Such variation is due to excess COGS & average inventory compared to previous year.
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	34,995	1,617	28,290	1,332	21.64	21.24	1.87%	Variation with in 25% change
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	25,183	1,840	19,809	1,667	13.69	11.88	15.19%	Variation with in 25% change
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue	Average Working Capital= Average of Current assets - Current liabilities	34,995	-4,548	28,290	-2,168	-7.69	-13.05	-41.03%	Working capital is utilised during the current financial year
(i)	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Net Sales	92	34,995	929	28,290	0.00	0.03	25.00%	Variation with in 25% change
(j)	Return on Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	5,958	64,906	3,160	62,749	0.09	0.05	82.26%	EBIT increased in comparison to previous year
(k)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	93	23,546	930	20,254	0.00	0.05	25.00%	Variation with in 25% change

Notes forming part of the Financial Statements for the year ended 31 March 2026

(Amount in INR Lakhs, unless otherwise stated)

46 Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

47 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. During the financial year 2024-25, company spent Rs 8.42 Lacs on Corporate Social Responsibility. During the financial year 2025-26, the company made a provision of Rs 17.61 Lac out of which Rs 11.47 Lac has been spent for CSR activities and balance figure of Rs 6.14 Lac will be spent with the allowable time period.

Particulars	2025-2026	2024-2025
(a) Amount required to be spent as per Section 135 of the Companies Act,	17.61	8.42
(b) Amount approved by the Board to be spent	17.61	8.42
(c) Amount Spent during the year	19.89	0
Statement of unspent amount under section 135(5) of the Companies Act. 2013		
(a) Opening Balance - (Excess) / Short Spent in Earlier Years	8.42	0
(b) Amount required to be spent	17.61	8.42
(c) Amount Spent	19.89	0
(d) Closing Balance	6.14	8.42

The Company undertakes the following activities in the nature of Corporate social responsibility (CSR):

Particulars	2025-2026	2024-2025
Donation to PM CARES Fund	8.42	0
Donation to PM CARES Fund will be processed within the set timelines mentioned as per Companies act		

48 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

49 Wilful Defaulter

The Company has not been declared as wilful defaulter by any bank or financial institution during the current financial year.

50 Bank Guarantees & letter of credit

Bank Guarantees submitted by the Company to the Petroleum and Natural Gas Regulatory Board ("PNGRB"), which have been sponsored by the Joint Venturers of the Company i.e., Hindustan Petroleum Corporation Limited (HPCL) & Oil India Limited (OIL INDIA). The performance guarantees were in the name of Joint Venturers in the year 2017-18 and 2018-19.

HPCL and OIL INDIA together have given a performance bank guarantee ("PBG") of Rs. 1,948 crores shared equally for the 2 Geographical areas ("GA") namely Ambala-Kurukshetra (PBG of Rs. 1,224 crores) and Kolhapur (PBG of Rs. 724 crores) to PNGRB.

The PNGRB vide its letters dated 02 July 2019 for both Ambala - Kurukshetra, Kolhapur GAs had accorded its approval to amend the authorization in favour of the "HPOIL Gas Private Limited" subject to submission of fresh/amended PBGs. The Joint Venturers got the PBGs amended from Consortium of HPCL and OIL INDIA to HPOIL Gas Private Limited as per the above direction of PNGRB. The Amended PBGs with name of the Company incorporated therein had been submitted to PNGRB by the Company on 02 March 2020. Subsequently, PNGRB vide its letters dated 25 June 2020 transferred the authorization from consortium of HPCL and OIL INDIA to HPOIL Gas Private Limited.

The company had participated in 12th & 12A CGD bidding for the geographical area of Nagaland, Meghalaya & Mizoram states. The upfront application fee of Rs 60.00 Lac (Rs 20.00 Lac each for one GA) & tender of Rs 15,000 were borne by the company for bidding in the 12th & 12A round. Out of three GAs bid, HPOIL successfully won only Nagaland GA.

Under the LOA issued by PNGRB for Nagaland GA, the awardee i.e., HPOIL Gas P. Ltd was required to furnish PBG for Rs 25.00 Cr. The promoters (i.e., HPCL & OIL) were to bear the aforesaid PBG in 50:50 ratio. Both parent companies HPCL & OIL had furnished PBG to PNGRB in their share of 50% i.e., Rs. 12.50 Cr each.

Outstanding Bank Guarantees issued by Bankers on behalf of the Company

Particulars	As at 31.03.2026 (Rs in lakhs)
Outstanding Bank Guarantees issued through Canara Bank	173.74
Outstanding Bank Guarantees issued through ICICI Bank	1,200.00

Note: Outstanding Bank Guarantees issued by Bankers on behalf of the Company are secured by way of lien / pledge of Fixed Deposits placed with the issuing banks as margin money, disclosed under Note 9 & 12.

Outstanding Letter of Credit issued by Bankers on behalf of the Company

Particulars	As at 31.03.2026 (Rs in lakhs)
Outstanding Letter of credit issued through ICICI Bank	1,712.73

51 A Note on Manpower Deputation

During supplementary audit of financial year 2019-20, C&AG had observed that manpower deputation cost relating to Chief Financial Officer (CFO) & Accounts Officer (AO) should be expensed out entirely, instead of allocating the same to capital work in progress and revenue expenditure in the ratio 85:15. The management subsequently approached Expert Advisory Committee (EAC) of the Institute of Chartered Accounts of India (ICAI) for an opinion on this matter. As per opinion of the EAC received during the quarter ended 30 June 2021, which state that, "the management can in exceptional circumstances, where the management can clearly justify and demonstrate that some of the activities performed are attributable to bringing the PPE/Project to the location and condition necessary for it to be capable of operating in the manner intended by management, to that extent, the manpower cost incurred should be capitalized to the PPE/Project and the rest should be charged to the Statement of Profit and Loss. Accordingly, Company has capitalised 85% manpower deputation cost of CEO, CFO and Manager to capital work in progress and 15% to revenue expenditure as the Company is still in the project implementation phase".

In line with EAC opinion EAC/1744/21 of ICAI the management exercised its judgement for allocation of manpower deputation costs for FY 21-22 in the ratio 85:15 between capital and revenue. The same policy was followed till Q2 of financial year 2023-24. From Q3 of financial year 2023-24, the management feels that the allocation ratio 60:40 (Capital & Revenue) is fair and reasonable. In Q4 of financial year 2024-25, manpower deputation cost related to CEO, CFO & Finance head was charged in the ratio of 60:40 between Revenue & Capital. Manpower cost allocation ratios are used based on time spent for the project activities. During the Q4 of financial year, management has reviewed manpower allocation ratios between the existing Gas & newly awarded Nagaland State GA. During the Q4 of financial year 2025-26, manpower deputation cost related to CEO was charged in the ratio of 40:40:20 between Capital (between Existing GA & Nagaland GA) & Revenue & for CFO, the ratio was 20:30:50 (between Existing GA & Nagaland GA) & Revenue.

52 The total operating CNG stations as on 31 March 2026 are 65 Nos comprises of 32 (F.Y-2024-25- 31) in Ambala - Kurukshetra, (F.Y-2024-25- 29) 33 in Kolhapur. Additionally, the company has one City Gate station cum Mother station at Ambala and one City gate station (CGS) at Kolhapur. Total laid MDPE network as at 31 March 2026 is 2520.80 Inch KMs(FY 2024-25 - 2385.40 Inch KMs) and steel is 1383.91 Inch Km (FY 2024-25 - 1367.92 Inch KMs). Total No of charged PNG connections is 60,682 (Previous Year - 59,919).

Notes forming part of the Financial Statements for the year ended 31 March 2026

(Amount in INR Lakhs, unless otherwise stated)

53 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability component of Convertible Preference Shares and current borrowing from ultimate holding company of the Company. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		2025-2026	2024-2025
Equity		23546.25	20253.60
Convertible preference share		-	-
Total equity	(i)	23546.25	20253.60
Borrowings other than convertible preference shares		41957.15	43520.56
Less: cash and cash equivalents		299.56	1681.67
Total debt	(ii)	41657.59	41838.89
Overall financing	(iii) = (i) + (ii)	65203.84	62092.49
Gearing ratio	(ii)/ (iii)	0.64	0.67

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2026, 31 March 2025

54 Commitments

Particulars	2025-2026	2024-2025
- Estimated Amount of contracts remaining to be executed on capital	2720.86	3860.67
- Uncalled liability on shares and other investments partly paid	0.00	0.00
- Other commitments (specify nature)	0.00	0.00
	2720.86	3860.67

55 Contingent liabilities and contingent assets

The Company creates a provision when there is present obligation 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 obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recorded nor disclosed in the financial statements.

Contingent Liabilities:**Disputed demands/ claims**

(i) Cases filed on the company subject to representations by the company	2025-2026	2024-2025
	5.65	0.48

56 The Code on Social Security 2020

The Government of India vide notification dated November 21, 2025 has notified the four new Labour Codes. Provisions of the previous labour Acts continue to remain in force till final notification of rules under the new Codes. The Company is evaluating the impact of the new Labour Codes and the financial impact, if any, will be recognised upon notification of the respective rules

57 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act. During the current year, we have regrouped & reclassified previous year figures of Trade payables, Other financial Liabilities.

58 Balances of Trade Receivables, Trade Payables, Other Financial Liabilities (which including creditors), Advances and Deposits received / given, from / to customers are subject to confirmation and subsequent reconciliation.

59 Event Occurring after Reporting Date

The Board of Directors of the Company, pursuant to offer letters issued on 04 March 2026 and acceptances received thereto, approved allotment of 2,80,00,000 equity shares of ₹10/- each aggregating to ₹28,00,00,000 (Rupees Twenty-Eight Crores) on rights basis to its two existing shareholders in equal ratio of 1,40,00,000 equity shares each. The subscription money of ₹28,00,00,000 was received by the Company on 06 April 2026, and the Board of Directors approved the allotment of the said shares at their meeting held on 24 April 2026.

Consequent to the said allotment, the paid-up share capital of the Company has increased from ₹224,00,00,000 (Rupees Two Hundred and Twenty-Four Crores) to ₹252,00,00,000 (Rupees Two Hundred and Fifty-Two Crores) with effect from 24 April 2026.

This is a non-adjusting event after the reporting period as per Ind AS 10 and accordingly no adjustment has been made in the financial statements as at 31 March 2026.

As per our report of even date

For ASL & Co.

Chartered Accountants

Firm Registration No.:105047W

For and on behalf of the Board of Directors of

HPOIL Gas Private Limited

CIN: U23201MH2018PTC317703

sd/-

Shikha Jain

Partner

Membership No.- 136484

Place: Mumbai

Date: 24 April 2026

sd/-

K Vinod

Director

Din: 09560150

Place: Mumbai

Date: 24 April 2026

sd/-

VS Chakravarthi

Chief Executive Officer

Place: Mumbai

Date: 24 April 2026

sd/-

Goutam Maji

Chief Financial Officer

Place: Mumbai

Date: 24 April 2026

sd/-

Kunjai Singh

Company Secretary

M.No.- 36722

Place: Mumbai

Date: 24 April 2026



Business Strategy Meet 2025



Business Strategy Meet 2025



Gas Sales Agreement with Hindustan Petroleum Corporation Limited



Gas Sales Agreement with GAIL India



Mock Drill at CGS with Mutual Aid and District Authorities



Vigilance Awareness Week



Awareness Session with College Student and pledge during National Safety Week



Observation of International YOGA Day



Distribution of saplings and plantation on World Environment Day



Corporate Social Responsibility- Provided Water Coolers with RO Systems in State Government Schools-Ambala-Kurukshetra



Corporate Social Responsibility- installation of Solar Street Lights of 30 watts each from Mouje Vadgaon Fata to Gavthan and along the internal village roads of Vadgaon, Kolhapur District, Maharashtra



MOU with Satish Sugar CBG Plant



Domestic flame conversion



Inauguration of CNG Station at Kolhapur by Maharashtra Health Minister Shree Prakash Abitkar



Meeting with Chairman of Kolhapur District Cooperative Milk Producers' Union Ltd.



CNG Campaign for Three Wheelers at Kolhapur





PNG facility Inauguration at Herwade colony, Jaysingpur



Employee Engagement Programmes



HPOIL GAS PRIVATE LIMITED

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