

Petronet MHB Limited



27th

**Annual Report
2024-25**

VISION :

- To become a major state of the art technology Pipeline company for Transporting Petroleum Products in Karnataka State & beyond, maintaining highest standards of Quality in execution, operation & Maintenance of Pipe line system with optimum care & commitment for safety, health, environment, employee involvement & development.

MISSION :

- To achieve international standards of excellence in all respect of petroleum products transportation business through Pipeline system with focus on customer delight through delivery of quality products, services & cost reduction.
- To maximize creation of wealth, value and satisfaction to the stakeholders.
- To attain leadership in developing, adopting, absorbing state of the art new Technology for competitive advantage
- To provide technology, consultancy, training in the field of pipeline transportation system for petroleum products & Telecom system.
- To develop and provide a high technology optical fiber based telecommunication system network in Karnataka State and neighboring states.
- To cherish a culture of participation and bring in novelties for employee growth, development and contribution.

QUALITY POLICY

- To establish & maintain high standard of Quality systems in Pipeline construction, operation & Maintenance of Pipe line system to deliver Quality services and products to its customers to achieve customer satisfaction and delight.

INTEGRATED MANAGEMENT SYSTEM POLICY

Petronet MHB Ltd., commits to continual improvement and
Maintain operational excellence through,
Hazard, ill health, injury and Pollution prevention,
By employee involvement and complying with,
Legal and other requirements & Customer expectations.

Petronet MHB Limited

Board of Directors



Sri Anuj Kumar Jain
Chairman



Sri Sudhir Kumar
Managing Director



Sri Subodh Batra
Director



Sri R. Ramesh
Director



Sri Neeraj Lal
Director



Smt Pinky Rai
Director



Sri Deepak Prabhakar
Director

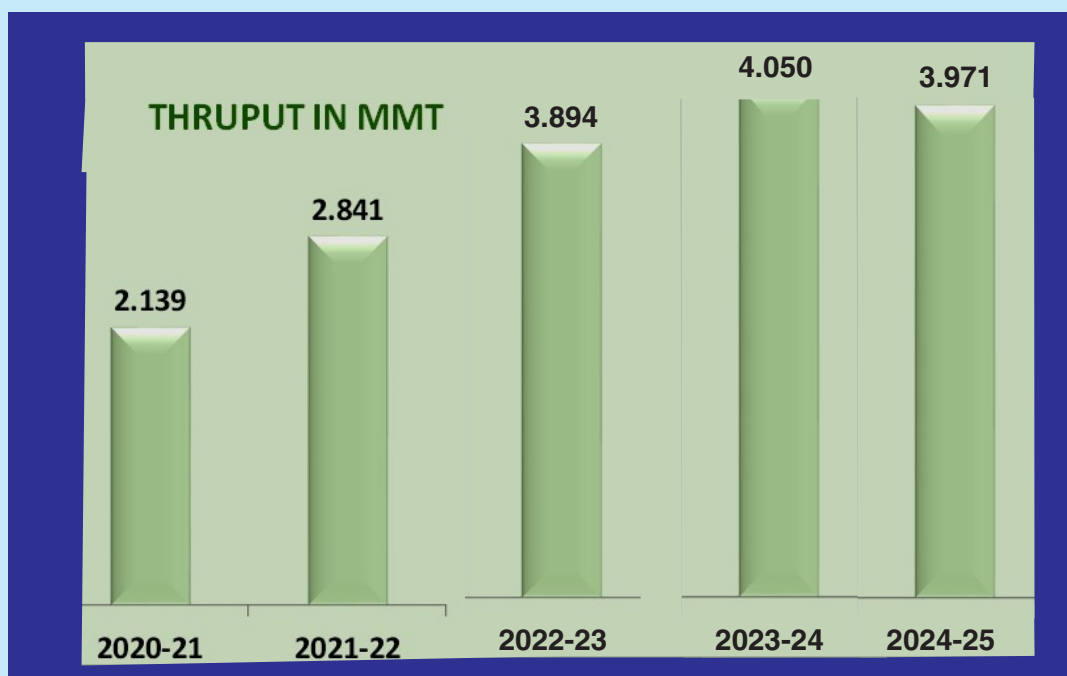


Sri Debasish Basak
Director

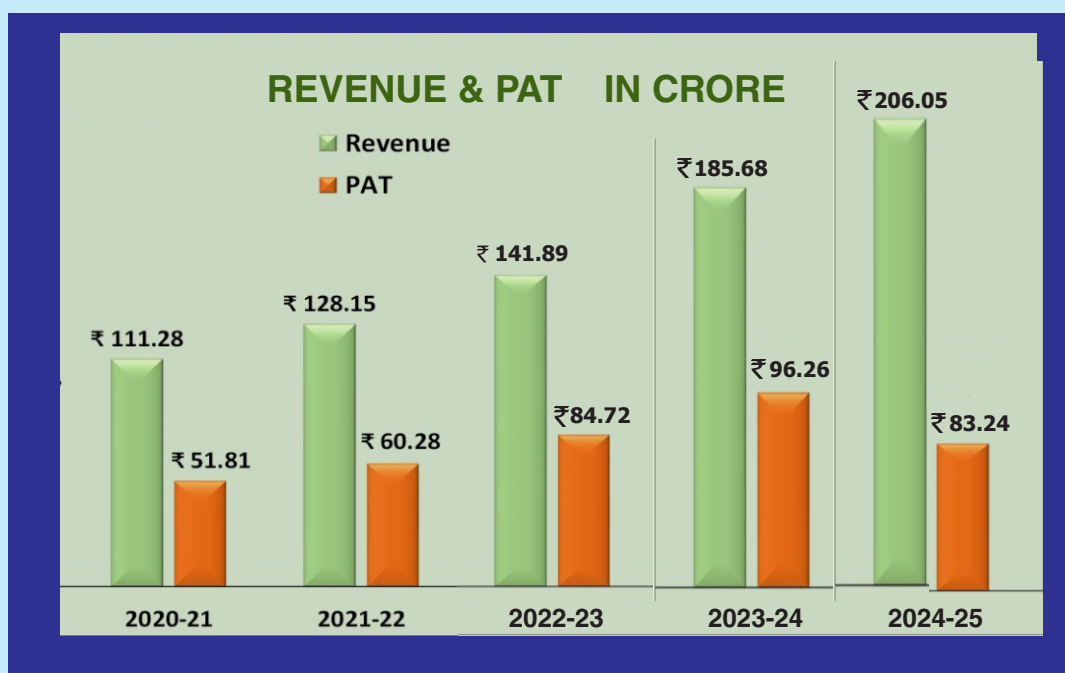
Petronet MHB Limited

PERFORMANCE SNAPSHOT

PERFORMANCE FOR PREVIOUS 5 YEARS



REVENUE & PAT IN CRORE



27th Annual Report 2024-25



Petronet MHB Limited

CIN: U85110KA1998GOI024020

Regd. office: Corporate Miller, 2nd Floor, Block B, 332/1, Thimmaiah Road, Vasanth Nagar,
Bengaluru 560052.

EPABX No. : 080 - 22262317, 43006225, 22262241, Fax : 91 - 080 - 22262242

Email : headoffice@petronetmhbl.com Website: www.petronetmhbl.com



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Offices, Auditors & Bankers

Registered Office :

Corporate Miller
2nd Floor, Block B, 332/1,
Thimmaiah Road, Vasanthnagar,
Bengaluru - 560 052
Website : www.petronetmhbl.com
CIN : U85110KA1998GOI024020

Stations :

Mangalore Dispatch Station

Near HPCL POL Terminal,
Bala Village, via Katipalla,
Mangalore - 575030.

Neriya Intermediate Pumping Station

Village Neriya, Taluk Belthangady,
Dakshina Kannada District - 574292.

Hassan Intermediate Pumping and Delivery Station

KIADB Industrial Growth Center,
Bommanaikanahalli Village,
Hassan - 573201.

Bangalore (Devanagonthi) Receiving Station

Near Devanagonthi Railway Station,
Village Tarabahalli, Hoskote Taluk,
Bengaluru - 560067.

Statutory Auditors : (2024-25)

A.R. Viswanathan & Co. (Chartered Accountants)

No. 156, 3rd Floor, Puttana Chetty Road
5th Main Road, Chamrajpet
Bengaluru - 560018.

Cost Auditors : (2024-25)

Murthy & Co. LLP (Cost Accountants)

No. 8, 1st Floor, 4th Main,
Chamrajpet, Bengaluru - 560018.

Secretarial Auditors : (2024-25)

Maureen W.A.L.

Flat No. W3, 2nd Floor
Hitech Apartment,
20/3, 2nd Cross
Sultanapalya
Bangalore-560032

Bankers :

HDFC Bank Ltd.
Canara Bank

Registrar & Share Transfer Agent :

Integrated Registry Management
Services Private Limited

Depository :

National Securities & Depositories Ltd

Key Managerial Personnel :

Sri Mukundan V.M.

Managing Director (upto 31.05.2024)

Sri Sudhir Kumar

Managing Director (w.e.f. 01-06-2024)

Sri Chandan Kumar Das

Chief Financial Officer

Sri Sachin Jayaswal

Company Secretary



Petronet MHB Limited

CIN: U85110KA1998GOI024020

Regd. office: Corporate Miller, 2nd Floor, Block B, 332/1, Thimmaiah Road, Vasanth Nagar, Bengaluru 560052

Website: www.petronetmhbl.com, e mail: sachinjayaswal@petronetmhbl.com, Tel: 080-22262317 Fax: 080-22262242

Notice of 27th Annual General Meeting

Notice is hereby given that the 27th Annual General Meeting (AGM) of the members of Petronet MHB Limited (PMHBL or Company) will be held on **Monday, 22nd September 2025 at 11.00 AM IST** through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited financial statement of the company for the financial year ended on March 31, 2025 together with the Report of the Board of Directors and Auditors' thereon and the comments of the Comptroller & Auditor General of India.
2. To appoint a director in place of Sri Anuj Kumar Jain (DIN: 09560713), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Smt. Pinky Rai (DIN: 10588498), who retires by rotation and being eligible, offers herself for re-appointment.
4. To authorize the Board of Directors of the Company for fixing the remuneration of the Statutory Auditors of the Company as appointed by the Comptroller and Auditor General of India for auditing the accounts of the Company for the financial year 2025-26 and in this regard to consider and if thought fit, to pass with or without modification (s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 142 and other applicable provisions of the Companies Act, 2013, the Board of Directors of the Company be & are hereby authorised to fix remuneration & other terms & conditions including reimbursement of out of pocket expenses in connection with Statutory Audit Work of the Statutory Auditor as appointed by the Comptroller & Auditor General of India for Statutory Audit of the Accounts of the Company for the Financial Year 2025-26"

Special business

5. To appoint Sri Deepak Padmanabhan Nayar Prabhakar (DIN 11204401) as Director of the Company and in this regard 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 161 and other applicable provisions, if any, of the Companies Act 2013, Companies (Appointment and Qualification of Directors) Rules, 2014, and any further amendments thereto from time to time (including any statutory modification or re-enactment thereof for the time being in force) and also the relevant provisions of the Articles of Association of the Company, Sri Deepak Padmanabhan Nayar Prabhakar (DIN: 11204401), who was appointed as Additional Director by the Board of Directors of the Company with effect from 23.07.2025 in terms of Section 161 of the Companies Act 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting or the last date on which the Annual General Meeting for the Financial Year 2024-25 should have been held, whichever is earlier, and the Company having received a notice in writing under Section 160 of the Companies Act, 2013 from Sri Deepak Padmanabhan Nayar Prabhakar, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."



6. To appoint Sri Debasish Basak (DIN: 11222052) as Director of the Company and in this regard 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 161 and other applicable provisions, if any, of the Companies Act 2013, Companies (Appointment and Qualification of Directors) Rules, 2014, and any further amendments thereto from time to time (including any statutory modification or re-enactment thereof for the time being in force) and also the relevant provisions of the Articles of Association of the Company, Sri Debasish Basak (DIN: 11222052), who was appointed as Additional Director by the Board of Directors of the Company with effect from 01.08.2025 in terms of Section 161 of the Companies Act 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting or the last date on which the Annual General Meeting for the Financial Year 2024-25 should have been held, whichever is earlier, and the Company having received a notice in writing under Section 160 of the Companies Act, 2013 from Sri Debasish Basak, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

7. To ratify the remuneration of the Cost Auditor for the financial year ending March 31, 2026 and, in this regard, 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 148 and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, and any further amendments thereto from time to time (including any statutory modifications(s) or re-enactment thereof, for the time being in force), the remuneration payable to PKR & Associates LLP, Cost Auditors, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2026, amounting to Rs. 50,000/- (Rs. Fifty thousand only) plus applicable taxes plus reimbursement of out-of-pocket expenses incurred for the Audit at actuals, be and is hereby ratified and approved.”

By order of the Board of Directors
For **Petronet MHB Limited**

(Sachin Jayaswal)

Company Secretary

Membership no. ACS 18835

Regd. Office : Corporate Miller, 2nd Floor, Block B,
332/1, Thimmaiah Road, Vasanth Nagar,
Bengaluru, 560052
Date : 22.08.2025

**NOTES:**

1. 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, and subsequent circulars issued in this regard, the latest being 9/2024 dated September 19, 2024, ('MCA Circulars') has permitted the holding of the annual general meeting through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue. Hence, in compliance with the circular, the AGM of the Company is being held through VC.
2. The deemed venue for the AGM shall be the Registered Office of the Company at Corporate Miller, 2nd Floor, Block B, 332/1, Thimmaiah Road, Vasanth Nagar, Bengaluru 560052.
3. As per provisions of clause 3.B.IV of the General Circular no. 20/2020 dated May 5, 2020, the matter of special business as appearing at item nos. 5 to 7 of the accompanying notice are concerned unavoidable by the Board and hence forming part of this notice.
4. A statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Meeting is annexed hereto. Additional information, pursuant to Secretarial Standard - 2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment at this Annual General Meeting ('Meeting' or 'AGM') is furnished as Annexure to this Notice.
5. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. However, since the AGM is being held in accordance with the MCA Circulars through VC, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy form and Attendance slip are not annexed herewith.
6. Since the AGM will be held through VC in accordance with the MCA Circulars, the route map of the venue of the meeting is not annexed hereto.
7. Members attending the AGM through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").
8. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send authorization letter to the Company.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, Members seeking to inspect such documents can send an email to sachinjayaswal@petronetmhbl.com. stating their DP ID, Client ID/ Folio No.
10. Members are requested to address all correspondence to the Company Secretary, Petronet MHB Limited, Corporate Miller, 2nd Floor, Block B, 332/1, Thimmaiah Road, Vasanth Nagar, Bengaluru, 560052 and email id sachinjayaswal@petronetmhbl.com.
11. Members who need technical assistance before or during the AGM, can contact allan@petronetmhbl.com or call on 08095220387. Kindly quote your name, DP ID-Client ID / Folio no.
12. In compliance with the MCA Circulars, the Annual Report for FY 2024-25 and the Notice of the 27th AGM are being sent only through electronic mode to all the members whose email addresses are registered with the Company / depository participant.
13. Members may also note that the Notice of the 27th AGM and the Annual Report for FY 2024-25 is also available on the Company's website <https://petronetmhbl.com/financial-aids>
14. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
15. Members holding shares in dematerialised mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register / update their email addresses with the



Depository Participant(s) with whom they maintain their demat accounts. The Registrar & Transfer agent of the Company is Integrated Registry Management Services Private Limited, CIN: U74900TN2015PTC101466, #30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore - 560 003. Phone No.: 080-23460815 to 818, Fax No.: 08023460819, Email ID: alpha123information@gmail.com, bangaloreAccounts@integratedindia.in

16. Members holding shares in dematerialized or in physical mode, who have not registered / updated their email addresses with the Company, are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at sachinjayaswal@petronetmhbl.com.
17. 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 before 3.00 PM on Monday, 15th September 2025 to email id sachinjayaswal@petronetmhbl.com.
18. Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered office of the Company on all working days i.e. Monday to Friday between 10.30AM and 12.30 PM upto the date of the Annual General Meeting or electronically during the AGM.
19. The details of the Director retiring by rotation and proposed for reappointment is enclosed as Annexure to this notice.
20. Guidelines for participation through VC/OAVM
 - i. Members may note that the 27th AGM of the Company will be convened through VC in compliance with the applicable provisions of the Companies Act, 2013, read with the MCA Circulars. The facility to attend the meeting through VC will be provided by the Company. Members may access the same at
<https://petronetmhbl.webex.com/petronetmhbl/j.php?MTID=m8aafe47c35ceb78c3c553334bc3adc75>
 - ii. Members present in the AGM through VC can vote by way of show of hands during the AGM.
 - iii. In case a poll is demanded, Chairman shall follow the procedure provided in Section 109 of the Companies Act, 2013 and rules made thereunder. The Members may vote by sending an e-mail from their registered email id to the designated
 e-mail id: pmhblagmpoll@petronetmhbl.com stating their assent/ dissent.
 - iv. The facility of joining the AGM through VC / OAVM will be opened 60 minutes before the scheduled start-time of the AGM.
 - v. Members can participate in the AGM through their desktops / smartphones / laptops etc. However, for better experience and smooth participation, it is advisable to join the meeting through desktops / laptops with high-speed internet connectivity.
 - vi. Please note that participants connecting from mobile devices or tablets, or through laptops via mobile hotspot may experience audio / video loss due to fluctuation in their respective networks.
 - vii. Steps to join the AGM through VC by desktop/ laptop
 - a) Click the link given for the VC or join through e mail invite
 - b) select "Join from your browser". You can join through Google chrome or Firefox or safari or Microsoft edge.
 - c) Allow <https://petronetmhbl.webex.com> to set cookies in your browser and to open the petronetmhbl.webex.com.
 - d) Use computer for audio and start video and then "join meeting"
 - e) Similar process can be adopted for joining through tablet/ mobile.
21. Pursuant to Section 139 of the Companies Act, 2013, the Statutory Auditors of the Company (being a Government Company) are appointed by the Comptroller and Auditor General of India (C&AG) and in pursuance to Section 142 of the Companies Act, 2013, their remuneration is to be fixed by the



Company in the Annual General Meeting or in such manner as the Company in general meeting may determine. In this regard, members may authorize the Board to fix remuneration payable to Statutory Auditors for the financial year 2025-26.

The Members of the Company, at the 26th AGM held on 23.09.2024, authorized the Board of Directors to fix the remuneration of Statutory Auditors appointed for the financial year 2024-25 by the C&AG. Accordingly, the Board of Directors fixed remuneration of Rs. 2,75,000/- for the Statutory Auditors for the financial year 2024-25 plus applicable taxes and reimbursement of actual traveling and out of pocket expenses.

The Board of Directors have recommended authorizing the Board of Directors of the Company for fixation of remuneration of Statutory Auditors as appointed by the C&AG for auditing the Annual Accounts of the Company for the year 2025-26, for approval of shareholders.

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

Item no. 5:

Sri Deepak Padmanabhan Nayar Prabhakar, nominated by Oil and Natural Gas Corporation Limited (ONGC) was appointed as Additional Director with effect from 23.07.2025 in accordance with Section 161 of the Companies Act, 2013 and the relevant provisions of the Articles of Association of the Company.

Pursuant to Section 161 of the Companies Act, 2013 the above Director holds office up to the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting for financial year 2024-25 should have been held, whichever is earlier. In this regard, the Company has received a request in writing from Sri Deepak Padmanabhan Nayar Prabhakar, proposing his candidature for appointment as Director in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

The Nomination & Remuneration Committee and the Board of Directors of the Company feels that the presence of Sri Deepak Padmanabhan Nayar Prabhakar on the Board is desirable and would be beneficial to the company and have recommended his appointment as a Director of the Company. He will be liable to retire by rotation.

Relevant documents in respect of the said item are open for inspection by the members at the Registered office of the company on all working days between 10.30AM and 12.30 PM upto the date of the Annual General Meeting or electronically during the AGM.

Sri Deepak Padmanabhan Nayar Prabhakar and his relatives are, concerned or interested, financially or otherwise, in the resolution set out at item no. 5 of the Notice. None of the other Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 5 of the Notice.

The Board recommends the ordinary resolution set out in item no. 5 of the notice for approval of the shareholders.

Details of Directors being appointed/reappointed as required under the provisions of Companies Act, 2013 and Secretarial Standard 2 (SS 2) issued by the Institute of Company Secretaries of India (ICSI):

Name of the Director	Sri Deepak Padmanabhan Nayar Prabhakar
DIN	11204401
Category of Director	Non – Executive Director
Date of Birth	23.01.1972



Age	53 Years
Date of first appointment on the Board	23.07.2025
Qualification	B. Tech. in Mechanical Engineering, MS (Manufacturing Management), PH. D (Management)
Experience	31 Years
Details of Experience	Note 1
Directorship held in other Companies	He is not holding directorship in any other Company.
Membership of Committee	He is a member of N&R Committee of the Company.
No. of Shares held in the Company	He is not holding any shares in the Company.
Terms and conditions of appointment	He will be liable for retirement by rotation. He will be a non-executive director and no remuneration is payable by the Company to him.
Relationship between Directors inter- Se	There is no relationship between the Directors inter se.

Attendance at Board meeting: For FY 2024-25, Sri Deepak Padmanabhan Nayar Prabhakar was not entitled to attend any Board meeting. For FY 2025-26, till the date of approval this notice by the Board, Sri Deepak Padmanabhan Nayar Prabhakar was entitled to attend one Board meeting which he attended.

Note 1:

Sri Deepak Padmanabhan Nayar Prabhakar is Executive Director in Mangalore Refinery & Petrochemicals Ltd. and is heading Marketing & Business Development. He is B. Tech. Mechanical Engineering, from university of Calicut, M.S. in Manufacturing Management, BITS-Pilani & Doctor of Philosophy (PH. D) Management, Karpagam University, Coimbatore

He is responsible for Domestic Marketing of all products of MRPL through various Channels & Verticals like Retail, Direct Sales, Polymer Sales. He also handles Supply & Distribution, Polymer Tech Support and Marketing Operations.

He has vast experience in areas of Strategy, Mergers & Acquisition, JVs, Project Formulation and Project Management, Maintenance and Reliability. His achievements include BS-VI Upgradation, Desalination Plant, Power Import Facility, Marketing Terminal, Revamps and Upgrades, Merger of OMPL including Equity, Debt, Quasi Equity and Debt transactions

Item no. 6:

Sri Debasish Basak, nominated by Hindustan Petroleum Corporation Limited (HPCL) was appointed as Additional Director with effect from 01.08.2025 in accordance with Section 161 of the Companies Act, 2013 and the relevant provisions of the Articles of Association of the Company.

Pursuant to Section 161 of the Companies Act, 2013 the above Director holds office up to the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting for financial year 2024-25 should have been held, whichever is earlier. In this regard, the Company has received a request in writing from Sri Debasish Basak, proposing his candidature for appointment as Director in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.



The Nomination & Remuneration Committee and the Board of Directors of the Company feels that the presence of Sri Debasish Basak on the Board is desirable and would be beneficial to the company and have recommended his appointment as a Director of the Company. He will be liable to retire by rotation.

Relevant documents in respect of the said item are open for inspection by the members at the Registered office of the company on all working days between 10.30AM and 12.30 PM upto the date of the Annual General Meeting or electronically during the AGM.

Sri Debasish Basak and his relatives are, concerned or interested, financially or otherwise, in the resolution set out at item no. 6 of the Notice. None of the other Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 6 of the Notice.

The Board recommends the ordinary resolution set out in item no. 6 of the notice for approval of the shareholders.

Details of Directors being appointed/reappointed as required under the provisions of Companies Act, 2013 and Secretarial Standard 2 (SS 2) issued by the Institute of Company Secretaries of India (ICSI):

Name of the Director	Sri Debasish Basak
DIN	11222052
Category of Director	Non – Executive Director
Date of Birth	10 .09.1971
Age	54 Years
Date of first appointment on the Board	01.08.2025
Qualification	Bachelor of Engineering (Mech), DMM (Marketing Management), PGDBA (Human Resource Management)
Experience	31 years
Details of Experience	Note 1
Directorship held in other Companies	He is not holding directorship in any other Company.
Membership of Committee	He is a member of N&R Committee of the Company.
No. of Shares held in the Company	He is not holding any shares in the Company.
Terms and conditions of appointment	He will be liable for retirement by rotation. He will be a non-executive director and no remuneration is payable by the Company to him.
Relationship between Directors inter- Se	There is no relationship between the Directors inter se.

Note 1

Sri Debasish Basak is currently Chief General Manager, heading the West Zone Retail, handling HPCL's core business spread over 2600 outlets in Maharashtra and Goa.



He has over 31year experience in the Petroleum Industry with experience in Aviation, Industrial and Consumer Sales and Retail businesses across different geographies.

Sri Debasish Basak is adept at leading multifunctional teams, driving Strategic Initiatives, handling wide variety of products across the petroleum value chain including sourcing, operations and driving sales to wide diaspora of customers including exports. He has worked closely with global MNCs as well as with Govt and various industry stakeholders. He has attended numerous Management and Leadership Programs in India and abroad and represented HPCL at various Industry Forums. Sri Debasish Basak is recognized for business acumen, leadership, transformation, Innovation and people management.

Item no. 7:

The Board of Directors of the Company, on the recommendations of the Audit Committee, approved the appointment of PKR & Associates LLP, Cost Accountants as Cost Auditor at a remuneration of Rs.50,000/- (Rs. Fifty thousand only) plus applicable taxes plus reimbursement of out-of-pocket expenses incurred for the Audit at actuals to conduct the audit of the cost records of the Company for the financial year ending March 31, 2026.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, have to be ratified by the members of the Company. The Board, therefore, recommend the ordinary resolution for approval by the members.

Relevant documents in respect of the said item are open for inspection by the members at the Registered office of the company on all working days between 10.30AM and 12.30 PM upto the date of the Annual General Meeting or electronically during the AGM.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 7 of the Notice.

The Board recommends the ordinary resolution as set out at item no. 7 for approval by the members.

By order of the Board of Directors

For **Petronet MHB Limited**

(Sachin Jayaswal)

Company Secretary

Membership no. ACS 18835

Regd. Office : Corporate Miller, 2nd Floor, Block B,
332/1, Thimmaiah Road, Vasanth Nagar,
Bengaluru, 560052

Date : 22.08.2025



Annexure to the Notice of the 27th AGM of Petronet MHB Limited

Details of the director seeking re-appointment at the 27th Annual General Meeting (pursuant to secretarial standard 2 (SS-2) issued by the Institute of Company Secretaries of India (ICSI)

Name of the Director	Sri Anuj Kumar Jain	Smt. Pinky Rai
DIN	09560713	10588498
Category of Director	Non - Executive Director/ Chairman	Non – Executive - Director
Date of Birth	19.06.1967	26.04.1969
Age	58 years	56 years
Date of first appointment on the Board	05.04.2022	12.04.2024
Qualification	B.Sc. (Engineering – Electrical)	BE in Electrical & Electronics Engineering
Experience	37 years	34 years
Details of Experience	As per note 1	As per note 2
Directorship held in other Companies	He is holding directorship in: 1. South Asia LPG Company Private Ltd. 2. IHB Limited	She is not holding directorship in any other Company.
Membership of Committee	He is not a member of any Committee of the Company	She is a member of CSR Committee of the Company.
No. of Shares held in the Company	He holds five equity shares in the Company, jointly with HPCL.	She is not holding any shares in the Company.
Terms and conditions of appointment	He will be liable for retirement by rotation. He will be a non-executive director/ Chairman and no remuneration is payable by the Company to him.	She will be liable for retirement by rotation. She is a non-executive director and no remuneration is payable by the Company to her.
Relationship between Directors inter- Se	There is no relationship between the Directors inter se.	There is no relationship between the Directors inter se



Attendance at Board meetings: During FY 2024-25, Sri Anuj Kumar Jain attended six out of seven Board meetings which he was entitled to attend. Smt. Pinky Rai attended six out of seven Board meetings which she was entitled to attend. For FY 2025-26, till the date of approval of this notice of AGM by the Board, Sri Anuj Kumar Jain attended all three Board meetings which he was entitled to attend. Smt. Pinky Rai also attended all three Board meetings which she was entitled to attend.

Note 1:

Sri Anuj Kumar Jain is Executive Director – Retail in Hindustan Petroleum Corporation Limited, a ‘Maharatna’ Company. He is an Electrical Engineer and he joined Hindustan Petroleum in 1988. He has rich and varied professional exposure of over 37 years in HPCL in downstream petroleum marketing in Retail Sales, LPG sales & marketing, Pipeline projects, and Engineering & Projects. He is well known for his expertise in handling cross-country pipeline projects, building LPG bottling Plants, Marketing terminals, Lube blending plants, and developing Tank Wagon facilities.

Sri Anuj Kumar Jain has always focused on enhancing and improving Network productivity and efficiency, leveraging technology, Project management, Leadership development, Succession Planning, Knowledge management and developing Capabilities and skills of officers through novel and innovative initiatives. Under his leadership, HPCL has constructed India’s largest Cavern at Mangalore of storage capacity 80000 Metric Ton. During the COVID-19 pandemic, under his guidance, all the bottling plants and distributor network operated in an effective and safe manner to ensure timely delivery of LPG refills to 10 Cr LPG customers.

At present, he is heading the Retail SBU of HPCL, overseeing the expansion of retail outlet network and sales. Currently, HPCL is managing 23800 Retail outlets.

Note 2:

Ms. Pinky Rai aged 56 years is a graduate from NITK Surathkal with a BE in Electrical & Electronics Engineering. She joined ONGC in 1990 and currently is posted at ONGC, Jorhat as Head-HSE. She is responsible for obtaining statutory clearances which are required for drilling of wells to meet production targets of the Asset. These include Environment Clearances from MoEF & CC, Forest Clearances from Forest Department, Consents from Pollution Control Board etc. Safety being a critical aspect when it comes to onshore operations her job involves regular checks on safety measures and streamlining DGMS and OISD requirements for continued safe operations at onshore sites.

She has a diverse experience of more than 34 years in ONGC, majorly under the Engineering Services Group, Mumbai handling contracts of offshore Projects of well platforms, pipeline replacements, platform revamps and at onshore plant in Assam. She also worked in the Offshore Design Deptt of offshore well platforms and pipelines and in the Institute of Engineering & Ocean Technology, ONGC. Other than execution & completion of projects she has handled two major arbitration cases while in Offshore Engineering Services, Mumbai.



BOARD'S REPORT

TO THE MEMBERS

On behalf of the Board of Directors of your Company, I have the pleasure in presenting the 27th Annual Report on the business and operations of the Company together with the Audited Financial Statements of the Company for the Financial Year 2024-25 and the Auditors' Reports and Comments of Comptroller & Auditor General of India (C&AG).

It is a matter of great pleasure that the Company completed 22nd year of successful business operations during 2024-25 and recorded growth of 9% in Revenue from Operations. The Profit after tax was lower by 14% as compared to previous year due to one time settlement of interest of ₹ 24.03 Cr. pertaining to long pending dispute under Govt. of India Vivad Se Vishwas Scheme II (Contractual disputes). The key financial highlights of your company are given below:

1. FINANCIAL HIGHLIGHTS:

(₹ in Cr.)

Particulars	Year 2024-25 (Audited)	Year 2023-24 (Audited)
Operating Income	162.85	149.55
Interest & Other Income	43.20	36.13
Total Income	206.05	185.68
Operating Expenses	(47.99)	(44.46)
Exceptional Items – Settlement of Legal claims	(24.03)	-
Operating Profit	134.03	141.22
Interest Expense	(7.62)	(0.99)
Net Profit	126.41	140.23
Depreciation	(14.42)	(10.75)
Net Profit before Taxation (PBT)	111.99	129.48
Prov. for Taxation:		
Current Tax	(30.18)	1.23
Deferred Tax	(33.10)	(0.12)
Profit after Taxation (PAT)	83.04	96.26
Other comprehensive income	(0.05)	(0.48)
Total Comprehensive Income for the period	82.99	95.78
Balance brought forward from previous financial year	40.93	34.86
Amount available for Appropriation	123.92	130.64
Dividend Paid	88.07	89.71
Balance carried forward	35.85	40.93
SHAREHOLDERS' VALUE (Amount in Rs.)		
Earnings per Share	1.51	1.75
Book Value per Share	10.65	10.75



2. PHYSICAL PERFORMANCE

Your company achieved thruput of 3.971 million metric tonne (MMT) during the year 2024-25 compared to 4.05 MMT achieved during the year 2023-24 which was marginally lower by 2% as compared to previous year.

The details of thruput handled at Hassan and Devangunthi are as follows:

(Figures in million metric tonne)

Year	Hassan Delivery	Devangunthi Delivery	Total Delivery
2024-25	3.41	0.56	3.97
2023-24	3.46	0.59	4.05

For the FY 2024-25:

- Energy consumption is 59 BTU/MT-KM as against Standard energy consumption range of 50 BTU to 135 BTU.
- Power cost is 12 paise per MT - KM which is reasonable.
- Operating cost is 29 paise / MT-KM which is reasonable.
- Per employee revenue and PAT contribution is Rs. 5.72 Crore and Rs. 2.31 Crore respectively.
- Savings in power cost is Rs. 3.74 Cr. with optimum use of captive solar power generation of Rs. 3.43 Cr. & power purchase from IEX of Rs. 0.31 Cr.
- Capacity utilization of pipeline is 71 % with respect to authorized capacity of 5.600 MMTPA.

3. SAFETY MEASURES:

Your Company has taken following measures during the year to improve the safety of the pipeline and operations:

- For emergency preparedness, Offsite Mock drills conducted periodically in presence of District & Factory Authorities, Department of Fire & Emergency Services, Police Officials and mutual aid members.
- Implementation of CCTV analytics in Mangalore & Neriya jurisdictional locations.
- Commissioned first unmanned installation of the Company at SV 10 station in Devangunthi Jurisdiction with full remote monitoring.
- PPE policy was developed and rolled out on 1st Oct 2024 and usage of standard PPE as per policy started w.e.f. 1st April 2025.
- Solar powered CCTV at Block valves across 3 major rivers with GSM connectivity to control rooms.
- All stations of PMHBL now have dedicated local hospital tie-ups including monthly onsite check-ups of all personnel (company or third party) and mobilization of emergency ambulance services, when required.
- New updated Risk Policy and Risk Register is in place aligned with prevailing operations and requirements.

4. ISO CERTIFICATION

The Company is certified for ISO Management Standards viz.,

- QMS ISO: 9001:2015 – Quality management system (recertification)
- EMS ISO: 14001:2015 – Environment management system (recertification)



- c) OHSMS ISO: 45001:2018 - Occupational Health & Safety management systems (recertification)
- d) EnMS ISO: 50001:2018 – Energy management system (recertification)
- e) ISMS ISO:27001:2022 - Information Security Management System (w.e.f. 31.03.2025)

5. AWARDS AND RECOGNITION:

The Company received the following awards during FY 2024-25:

- a) 22nd Greentech Global Workplace Safety Award 2024 – Best Safety Improvement Initiative
- b) 11th Greentech CSR India Award 2025 – Healthcare Promotion

6. SUSTAINABILITY

Your Company is committed to reducing its environmental impact through clean energy initiatives, carbon reduction strategies, and innovative power solutions. The Company has a total 3828 KWp solar power plants at Mangalore, Hassan, and Devangonhi to generate clean energy which meets about 30% of our power requirement thereby reducing our reliance on fossil fuels and lowering carbon emissions.

Aligned with global sustainability goals, your Company is committed to achieve Net Zero emissions and is in the process of developing a structured and time bound pathway to achieve net zero status.

7. STATE OF COMPANY AFFAIRS:

During FY 2024-25, the main focus was on improving the capacity utilization & cost optimization across the locations which has yielded desired results. The operations were carried out efficiently. There was marginal decrease in throughput of the pipeline due to reduced volumes offered by the industry players and minor grid power availability issues at our Neriya Pumping Station. Efforts are on to further enhance the company's performance by resolving the technical and business challenges.

During FY 2024-25, the total capital expenditure of your Company was Rs. 8.71 Crore.

8. DETAILS OF MATERIAL CHANGES AND COMMITMENTS BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT:

There have been no material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

9. CHANGE IN NATURE OF BUSINESS:

There is no change in nature of business during the financial year ended 31.03.2025.

10. SUBSIDIARIES, ASSOCIATES & JOINT VENTURES:

The Company does not have any subsidiary, joint venture or associate company. During the financial year ended 31.03.2025, no company has become or ceased to be subsidiary, joint venture or associate company of your Company.

11. DIVIDEND:

The Company has declared & paid two interim dividends for the year 2024-25, the first being Rs. 0.74/- per equity shares of Rs. 10 each (7.40%) in October 2024 and the second being Rs. 0.865/- per equity shares of Rs. 10 each (8.65%) in March, 2025.

No further dividend is proposed for the FY 2024-25.

12. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Section 125 of the Companies Act 2013 there is no unpaid or unclaimed fund in the Company, to be transferred to IEPF. Hence the Company has not made any such transfer to IEPF.



13. TRANSFER TO RESERVES:

The Company has neither proposed nor transferred any funds to reserves during the financial year.

14. CHANGES IN CAPITAL STRUCTURE:

There is no change in Share Capital of the Company during the financial year 2024-25.

15. SHARE CAPITAL:

The Paid-up Equity Share Capital of the Company as on March 31, 2025 was ₹ 548,70,72,640 comprising of ₹ 54,87,07,264 equity shares of Rs. 10 each. During the year under review, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity. The Company has not issued any preference shares or debentures and no redemption of preference shares or debentures was due during FY 2024-25. There was no variation in rights of any shareholder.

16. DIRECTORS & KEY MANAGERIAL PERSONNEL:

The Board of your company as on the date of this report comprises of following Directors:

1. Sri Anuj Kumar Jain, Chairman
2. Sri Sudhir Kumar, Managing Director(w.e.f.01.06.2024)
3. Sri Subodh Batra, Director
4. Sri Ramesh Ramasamy, Director
5. Smt. Pinky Rai, Director (w.e.f.12.04.2024)
6. Sri Neeraj Lal (w.e.f.23.04.2024)
7. Sri C. Sridhar Goud (w.e.f. 01.06.2024)
8. Sri Deepak Padmanabhan Nayar Prabhakar, Director (w.e.f.23.07.2025)

The Board on 25.07.2025 accorded approval for obtaining DIN of Sri Debasish Basak, nominated as Director on the Board by HPCL in place of Sri C. Sridhar Goud.

As on 31.03.2025, the Board comprised of Sri Anuj Kumar Jain, Chairman, Sri Sudhir Kumar, Managing Director and the Directors namely Sri Subodh Batra, Sri Ramesh Ramasamy, Smt. Pinky Rai, Sri C Sridhar Goud, Sri Neeraj Lal and Sri Basavarajappa Sudharshan. Being a Government Company, the provisions of section 164 (2) of the Companies Act, 2013 are not applicable.

In line with Section 203 of the Companies Act, 2013, Sri Sudhir Kumar, Managing Director, Sri Chandan Kumar Das, Chief Financial Officer and Sri Sachin Jayaswal, Company Secretary are the Key Managerial Personnel as on the date of this report.

17. CHANGES IN DIRECTORSHIP:

In line with the provisions of the Articles of Association of the Company, Sri Pankaj Kumar, nominated by ONGC, resigned as Chairman and Director with effect from 01.06.2024 in line with the Articles of Association, in view of appointment of Sri Sudhir Kumar as Managing Director of the Company, with effect from 01.06.2024, nominated by ONGC.

In line with the provisions of the Articles of Association of the Company, Sri Anuj Kumar Jain, who was already on the Board as Director, was appointed as Chairman in place of Sri Pankaj Kumar with effect from 01.06.2024 as per the nomination by HPCL.

Sri Mukundan Venkatesha Mukhami, Managing Director, nominated by HPCL resigned as Managing Director and Director with effect from 01.06.2024 in view of completion of his tenure as Managing Director. Sri Sudhir Kumar, nominated by ONGC in line with the Articles of Association of the Company was appointed as Managing Director with effect from 01.06.2024 till 31.05.2027. The appointment of Sri Sudhir Kumar as Director and Managing Director was approved at the 26th Annual General



Meeting of the Company on 23.09.2024.

Smt. Pinky Rai, nominated on the Board by ONGC was appointed as Additional Director (Woman) with effect from 12.04.2024 in place of Smt. Pomila Jaspal who resigned from the Board with effect from 01.02.2024 in view of her superannuation from ONGC.

Sri Neeraj Lal, nominated on the Board by ONGC was appointed as Additional Director with effect from 23.04.2024 in place of Sri Debdulal Adhikari who resigned from the Board with effect from 01.02.2024 in view of his superannuation from ONGC.

Sri C. Sridhar Goud, nominated by HPCL was appointed as Additional Director with effect from 01.06.2024 in place of Sri Mukundan Venkatesha Mukhami who resigned with effect from 01.06.2024 upon completion of his tenure as Managing Director

Sri Basavarajappa Sudharshan nominated by ONGC was appointed as Additional Director with effect from 26.07.2024 in place of Sri Mundkur Shyamprasad Kamath who resigned from the Board with effect from 12.07.2024 in view of Change of nomination by ONGC. Smt. Pinky Rai, Sri Neeraj Lal, Sri C Sridhar Goud and Sri Basavarajappa Sudharshan were appointed as Director at the 26th Annual General Meeting on 23.09.2024.

Sri Basavarajappa Sudharshan has resigned from the Board with effect from 01.07.2025 in view of his superannuation from MRPL. Sri Deepak Padmanabhan Nayar Prabhakar, nominated by ONGC in place of Sri B. Sudharshan has been appointed as Additional Director with effect from 23.07.2025.

The Board recommends the appointment of Sri Deepak Padmanabhan Nayar Prabhakar as Director at the forthcoming Annual General Meeting of the Company.

The Board places on record its appreciation for valuable contribution made by Sri Pankaj Kumar, Sri Mundkur Shyamprasad Kamath, Sri Mukundan Venkatesha Mukhami & Sri Basavarajappa Sudharshan during their tenure on the Board of the Company.

18. RE-APPOINTMENTS:

As per Section 152 of the Companies Act, 2013, Sri Anuj Kumar Jain (DIN 09560713) and Smt. Pinky Rai (DIN: 10588498) are the Directors who will retire by rotation at the ensuing AGM and being eligible, seek re-appointment. The Board recommends their re-appointment.

19. INDEPENDENT DIRECTORS:

Pursuant to MCA notification dated 05.07.2017, Petronet MHB Limited, being a joint venture Company of Hindustan Petroleum Corporation Limited (HPCL) and Oil and Natural Gas Corporation Limited (ONGC), is not required to have Independent Directors on the Board of the Company under the Companies Act 2013. Accordingly, no independent director is appointed on the Board of the Company.

20. BOARD MEETING DETAILS:

Seven meetings of the Board of Directors were held during the financial year 2024-25 as per details given below:

Sl. No	Particulars	Date of Meeting	Mode of holding the meeting
1	150th Board meeting	23.04.2024	Video Conference
2	151st Board meeting	29.05.2024	Video Conference
3	152nd Board meeting	17.07.2024	Physical
4	153rd Board meeting	22.10.2024	Physical
5	154th Board meeting	02.12.2024	Video Conference
6	155th Board meeting	24.01.2025	Physical
7	156th Board meeting	24.03.2025	Physical



The details of the Directors' attendance areas follows:

Sl. No	Name of Director	No. of Board meetings held during respective tenure during 2024-25	No. of Board meetings attended during 2024-25
1	Sri Pankaj Kumar (resigned as Chairman w.e.f. 01.06.2024)	2	2
2	Sri Anuj Kumar Jain # (appointed as Chairman w.e.f. 01.06.2024)	7	6
3	Sri Mukundan Venkatesha Mukhami (resigned as Managing Director w.e.f.01.06.2024)	2	2
4	Sri Sudhir Kumar (appointed as Managing Director w.e.f. 01.06.2024)	5	5
5	Sri Mundkur Shyamprasad Kamath (resigned as Director w.e.f. 12.07.2024)	2	2
6	Sri Subodh Batra	7	7
7	Sri Ramesh Ramasamy	7	7
8	Smt. Pinky Rai (appointed as Director w.e.f. 12.04.2024)	7	6
9	Sri Neeraj Lal (appointed as Director w.e.f. 23.04.2024)	7	5
10	Sri Basavarajappa Sudharshan (appointed as Director w.e.f. 26.07.2024)	4	4
11	Sri. C. Sridhar Goud (appointed as Director w.e.f. 01-06-2024)	4	5

Before becoming Chairman w.e.f 01.06.2024, Sri Anuj Kumar Jain was Director on the Board of the Company.

21. AUDIT COMMITTEE:

As on 31.03.2025, the Audit Committee of the company comprised of three directors namely of Sri Basavarajappa Sudharshan(Chairman), Sri Subodh Batra (Member)& Sri Ramesh Ramasamy (Member). The Audit Committee as on the date of this report comprise of Sri Ramesh Ramasamy (Chairman), Sri Subodh Batra (Member) & Sri Neeraj Lal (member). The Audit Committee, at its 90th meeting held on 19.04.2025 reviewed the annual financial statements for the year 2024-25, before its approval by the Board. During the year, all the recommendations of the Audit Committee were accepted by the Board.

Six meetings of the Audit Committee were held during the financial year 2024-25 as per details given below:

Sl. No	Particulars	Date of Meeting	Mode of holding the meeting
1	84th Audit Committee meeting	22.04.2024	Video Conference
2	85th Audit Committee meeting	17.07.2024	Physical
3	86th Audit Committee meeting	22.10.2024	Physical
4	87th Audit Committee meeting	02.12.2024	Video Conference
5	88th Audit Committee meeting	24.01.2025	Physical
6	89th Audit Committee meeting	24.03.2025	Physical



The details of the attendance of the Audit Committee are as follows:

Sl. No	Name of Member of the Committee	No. of Audit Committee meetings held during respective tenure during 2024-25	No. of Audit Committee meetings attended during 2024-25
1	Sri Anuj Kumar Jain	1	1
2	Sri Subodh Batra	6	6
3	Sri Ramesh Ramasamy	6	6
4	Sri Neeraj Lal	2	2
5	Sri Basavarajappa Sudharshan	3	3

22. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE):

As on 31.03.2025, the CSR Committee comprised of three directors namely Sri Subodh Batra (Chairman), Smt. Pinky Rai (Member) & Sri Sudhir Kumar (Member). The composition of the CSR Committee remains the same as on the date of this report.

Two meetings of the CSR Committee were held during FY 2024-25 as per details given below:

Sl. No	Particulars	Date of Meeting	Mode of holding the meeting
1	22nd CSR Committee meeting	30.09.2024	Video Conference
2	23rd CSR Committee meeting	24.01.2025	Physical

The details of the attendance of the CSR Committee are as follows:

Sl. No	Name of Member of the Committee	No. of CSR Committee meetings held during respective tenure during 2024-25	No. of CSR Committee meetings attended during 2024-25
1	Sri Subodh Batra	2	2
2	Sri Sudhir Kumar	2	2
3	Smt. Pinky Rai	2	1
4	Sri Mundkur Shyamprasad Kamath	0	0
5	Sri Mukundan Venkatesha Mukhami	0	0



23. NOMINATION & REMUNERATION COMMITTEE (NRC):

As on 31.03.2025, the NRC comprised of three members namely Sri Neeraj Lal (Chairman), Smt. Pinky Rai (Member) and Sri C. Sridhar Goud, (Member). The composition of the NRC remains the same as on the date of this report.

Three meetings of the NRC were held during 2024-25 as per details given below:

Sl. No	Particulars	Date of Meeting	Mode of holding the meeting
1	26th N&R Committee meeting	28.05.2024	Video Conference
2	27th N&R Committee meeting	26.09.2024	Video Conference
3	28th N&R Committee meeting	23.03.2025	Physical

The details of the attendance of the N&R Committee areas follows:

Sl. No	Name of Member of the Committee	No. of N&R Committee meetings held during respective tenure during 2024-25	No. of N&R Committee meetings attended during 2024-25
1	Sri M. Shyamprasad Kamath	1	1
2	Sri Anuj Kumar Jain	1	1
3	Sri Ramesh Ramasamy	1	1
4	Sri Neeraj Lal	2	2
5	Sri C Sridhar Goud	2	2
6	Smt. Pinky Rai	2	2

24. ANNUAL GENERAL MEETING (AGM) DETAILS FOR PREVIOUS THREE YEARS:

Year	Date & time of AGM
2023-24	23rd Sep. 2024 at 11.00 AM (IST)
2022-23	22nd Sep. 2023 at 11.00 AM (IST)
2021-22	23rd Sep. 2022 at 10.30 AM (IST)

No Special Resolution has been passed by the Company in the above AGMs.

25. COMPANY POLICY ON DIRECTOR'S APPOINTMENT, REMUNERATION ETC.:

Your Company, being a Government Company is exempted to furnish information under Section 134(3)(e) of the Companies Act, 2013 vide MCA Notification dated June 05, 2015. However, such a policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website, at <https://www.petronetmhbl.com> & the same is enclosed as **Annexure I**.



26. PERFORMANCE EVALUATION OF BOARD:

The evaluation of all the directors, committees, Chairman of the Board, and the Board as a whole, is conducted based on the criteria and framework adopted by the Board. The performance evaluation for the Directors and the Committees for the financial year 2024-25 has been carried out as per the framework approved by the Board.

27. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(3)(C) of the Companies Act, 2013, your Directors State that:

- (i) In the preparation of the Annual Accounts for the financial year ended 31st March 2025, the applicable Accounting Standards read with requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures, if any;
- (ii) The Directors 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 as at 31st March 2025 and of the Profit or Loss of the Company for the year ended on that date;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a 'going concern' basis;
- (v) The Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems are adequate and operating effectively.

28. INTERNAL FINANCIAL CONTROLS & THEIR ADEQUACY:

Your Company has put in place adequate Internal Financial Controls by laying down policies and procedures to ensure the efficient conduct of its business, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information commensurate with the operations of the Company.

Effectiveness of Internal Financial Controls is ensured through internal assessment and testing by the Internal Audit Team indicating that your Company has adequate Internal Financial Controls over Financial Reporting in compliance with the provisions of the Companies Act, 2013 and such Internal Financial Controls are operating effectively.

Independent Auditors Report on the Internal Financial Controls of the Company in terms of Clause (I) of Sub-Section 3 of Section 143 of the Companies Act, 2013 by the Statutory Auditors is placed along with the Financial Statements.

29. LEGAL COMPLIANCE SYSTEM:

The Company has a system for identification of laws applicable for the company as well as its compliance. Under integrated management manual (ISO systems), a legal register is maintained covering legislations / regulations/ other requirements applicable to the Company, which is audited annually by the integrated management system certification body.

The status of legal compliances are compiled on quarterly basis from all the locations to enable the company secretary place, the status of legal compliances before the Board.



30. CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES:

The Corporate Social Responsibility Committee (CSR Committee) of the Company has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy of the Company can be accessed at <https://www.petronetmhbl.com/> under the tab CSR.

The Company focuses on several corporate social responsibility projects to improve the lives of people through its different initiatives in the areas of Rural development, Health, Sanitation, Education, etc.

The Annual Report on CSR activities for FY 2024-25 is annexed herewith and marked as Annexure II to this Report.

31. VIGIL MECHANISM:

Establishing Vigil Mechanism is not mandatory for the Company as per the Provisions of the Companies Act, 2013.

32. VIGILANCE FUNCTIONS:

Pursuant to the MOP&NG guidelines dated 19.11.2013, Vigilance Administration has been entrusted to Chief Vigilance Officer, Hindustan Petroleum Corporation Limited with concurrence of Ministry of Petroleum and Natural Gas, Govt. of India.

Complaints are handled as per the complaint handling policies stipulated in Vigilance Manual issued by the Central Vigilance Commission. The prime focus of Vigilance activities has been Preventive and Participative Vigilance by having regular interaction with employees and other stakeholders to spread awareness among the masses.

- Vigilance cases Pending as on 01.04.2024 –NIL
- Number of vigilance cases during FY 2024-25 –NIL
- Vigilance cases pending as on 31.03.2025 –NIL

33. COMPLIANCE UNDER THE RIGHT TO INFORMATION ACT, 2005:

A well-defined mechanism is in place to deal with RTI applications received under the Right to Information Act, 2005. A senior level officer has been designated as "Public Information Officers" (PIO) to process RTI applications.

Necessary details with respect to RTI Act, 2005 is available in the Company website www.petronetmhbl.com.

34. RISK MANAGEMENT:

The Company has a Board approved Risk Management Policy. Risk framework and Risk portfolio are periodically monitored by the Risk Management Committee / Audit Committee and the Board.

35. STATUTORY AUDITORS AND AUDIT REPORT:

The Comptroller and Auditor General of India (C&AG) appointed M/s A. R. Viswanathan & Co., Chartered Accountants, Bengaluru as Statutory Auditors of your Company for the year 2024-25 and they have audited the Accounts for the year 2024-25. There is no qualification, reservation or adverse remark in the Audit Report.

At the 26th Annual General Meeting of the Company, the Board was authorized to fix the remuneration of the Statutory Auditor for the Financial Year 2024-25 and accordingly the Board has fixed



remuneration of Rs. 2,75,000 plus out of pocket expenses plus GST at applicable rate for the Statutory Auditor. For the year 2025-26, the appointment of Statutory Auditor by the C&AG is awaited.

36. COMPTROLLER AND AUDITOR GENERAL OF INDIA:

The Comptroller and Auditor General of India under Section 143(6)(b) has issued "NIL Comments" on the financial statement of the Company for the year ended March 31, 2025.

37. STATUS OF PENDING AUDIT PARA:

There are no pending Audit Para as on date.

38. SECRETARIAL AUDITORS AND AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Act and the rules made there under, Ms. W.A.L. Maureen was appointed as Secretarial Auditor to conduct Secretarial Audit for the financial year 2024-25. The Secretarial Audit Report (MR3) for the financial year ended March 31, 2025 is annexed herewith marked as Annexure III to this Report. There is no qualification, reservation or adverse remark in the Audit Report.

39. MAINTENANCE OF COST RECORDS:

The Company is maintaining the Cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

40. COST AUDITORS:

M/s Murthy & Co., LLP were appointed as Cost Auditor for the financial year 2024-25 pursuant to Section 148 of the Companies Act 2013 & Companies (Cost Audit records and Audit) Rules, 2014 at a remuneration of Rs. 50,000/- plus GST plus out of pocket expenses.

M/s PKR & Associates LLP, Cost Accountants, are appointed as Cost Auditors of the Company for the financial year 2025-26 at a remuneration of Rs. 50000/- plus applicable taxes plus reimbursement of out-of-pocket expenses incurred for the Audit at actuals.

41. COST AUDIT REPORT:

M/s Murthy & Co., LLP, the Cost Auditors have carried out the Cost Audit for FY 2024-25. There is no qualification, reservation or adverse remark in the Audit Report.

The Cost Audit for the financial year 2023-24 was carried also out by M/s Murthy & Co., LLP and the Cost Audit Report was filed with the Ministry of Corporate Affairs during the year under review, before the stipulated date of filing.

42. REPORTING OF FRAUD:

There was no case of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or to the Board as required under Section 143(12) of the Act.

43. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has constituted Internal Committee under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Committee has prepared annual report and submitted the same to the concerned authorities. During the year under review the details of complaints received are as follows:



No. of complaints pending at the beginning of the year	Nil
No. of complaints received during the year	Nil
No. of complaints disposed of during the year	Nil
No. of complaints pending at the end of the year	Nil
No. of complaints pending for more than 90 days	Nil

44. COMPLIANCE WITH MATERNITY BENEFIT ACT:

The Company complies with the provisions relating to the Maternity Benefit Act, 1961.

45. ANNUAL RETURN (MGT 7)

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the Annual Return for FY 2024-25 is available at <https://www.petronetmhbl.com/corporate-governance-disclosures/>

46. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

During the financial year 2024-25, the Company has not given any loan, guarantee, security or any investments which is covered under section 186 of the Companies Act, 2013.

47. RELATED PARTY TRANSACTIONS:

The Company has adopted a Policy for dealing with Related Party Transactions. All Related Party Transactions, that were entered into during the financial year under review, were with Government Companies on arm's length basis, and in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013.

Particulars of contracts or arrangements with related parties as referred to in Section 188 of the Companies Act, 2013 is provided in specified form AOC-2 as Annexure IV.

48. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014:

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(3) of the Companies (Accounts) Rules 2014 is annexed at Annexure V.

49. MANAGERIAL REMUNERATION & REMUNERATION OF KMP & PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE:

Your Company, is an unlisted Government Company. By virtue of MCA Notification dated June 05, 2015, Government Companies are exempted from complying with the requirement of Section 197 (Chapter XIII) of the Companies Act, 2013. Hence, the Rules made thereunder i.e. Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are also not applicable to Government Companies.

Your Company, being a Government Company, the remuneration payable to Key Managerial Personnel and other employees are fixed as per DPE guidelines. However, payment like Performance Related Pay is placed for the approval of Nomination and Remuneration Committee.



50. DEPOSITS:

Your Company has not been accepting any Deposits, as specified in Section 73 to Section 76 of the Companies Act, 2013 and therefore there do not call for any disclosure of Deposits as required under Rule 8(5)(v) of Companies (Accounts) Rules, 2014. There are no unpaid or unclaimed deposits as at 31.03.2025. There is no default in repayment of deposits or payment of interest thereon during the year ended 31.03.2025.

51. SECRETARIAL STANDARDS:

Your Company has complied with applicable Secretarial Standards in respect of Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

52. FINANCIAL ACCOUNTING:

The Financial Statements of the Company for FY 2024-25 have been prepared in compliance with the applicable provisions of the Companies Act, 2013 including Indian Accounting Standards (Ind AS).

53. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the financial year 2024-25, no application is made nor any application or proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

54. DIFFERENCES IN THE AMOUNT OF VALUATION UNDER RULE 8(5)(xii) OF COMPANIES (ACCOUNTS) RULES, 2014

The Company has not entered into any one-time settlement and has not availed any loan during the financial year 2024-25 hence, no such valuation was done in this regard.

55. DETAILS OF SETTLEMENT UNDER VIVAD SE VISHWAS SCHEME II

The Company has entered into a one time settlement agreement under Govt. of India Vivad Se Vishwas Scheme II (Contractual Disputes) with Punj Lloyd Limited, which was given purchase order for laying of Pipeline and associated pipeline works of Cathodic Protection, Optical Fiber, Sectionalizing stations and Intermediate stations for Mangalore – Bangalore Pipeline Project in the year 2000. The settlement amount was Rs. 34,12,75,333 towards full and final settlement of all the claims and disputes between the parties in reference to the said contract.

56. DETAILS OF SIGNIFICANT ORDERS PASSED BY REGULATOR OR COURTS OR TRIBUNAL IMPACTING GOING CONCERN STATUS & COMPANIES OPERATIONS IN FUTURE:

During FY 2024-25, no order has been passed by the regulator or court or tribunal impacting the going concern status of the Company or its operations.

57. PETROLEUM AND NATURAL GAS REGULATORY BOARD ORDERS (PNGRB)

a. TARIFF ORDER:

The PNGRB, vide the Order No. TO/PPPL/2024-25/15 dated 28.11.2024 has made revision in tariff to be charged for transportation of Petroleum Product through the pipeline.



As per the said tariff order, one-time escalation of 17% (@ 3.40% from 2019-20 till 2023-24, (based on 10-year WPI CAGR from 2013-14 to 2022-23) over the Railway's goods tariff table of railway rate circular No.19 of 2018 is considered on the base tariff, however, the same is applied with effect from 01.08.2024.

Further, from financial year 2025-26 onwards, annual escalation shall be considered, based on the "Wholesale price Index (WPI) Data (2011-12 = 100) for "All Group/Commodity", as published by the Office of Economic Adviser, Government of India, Ministry of Commerce and Industry, Department of Industrial Policy and Promotion (DIPP).

b. PIPELINE CAPACITY:

The PNGRB vide letter no. PNGRB/Auth/3-PPPL(07)/2011(E-2564) dated 8th Oct. 2024 approved expansion of Pipeline Capacity to 5.60 MMTPA.

58. HUMAN RESOURCE & INDUSTRIAL RELATIONS:

Our employees are our most important assets. We are committed to hiring and retaining the best talent and be among the industry's leading employers. For this, we focus on promoting a collaborative, transparent and participative organization culture, and rewarding merit and sustained high performance. Our human resources management focuses on allowing our employees to develop their skills and grow in their career. Industrial relations across the Company remained cordial during the year.

As on 31.03.2025, the number of employees were as given below:

- Female – 2 nos.
- Male – 34 nos.
- Transgender – 0 no.

59. ACKNOWLEDGEMENT:

Your directors place on record appreciation for the Oil Marketing Companies, Mangalore Refinery & Petrochemicals Limited (MRPL), and the communities in which the Company operates, for their cooperation and valuable support extended during the year.

Your directors place on record appreciation for the contribution made by employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

Your directors also thank the Comptroller & Auditor General of India, Statutory Auditor, Cost Auditor, Secretarial Auditor, Internal Auditor and other professionals associated with the Company for their valued contribution.

Your directors also take this opportunity to gratefully acknowledge the continuous support & guidance provided by Ministry of Petroleum and Natural Gas, Petroleum & Natural Gas Regulatory Board and the Management of the promoter companies viz Hindustan Petroleum Corporation Limited (HPCL) and ONGC Limited.

For and on behalf of the Board of Directors

(Anuj Kumar Jain)
Chairman
DIN 09560713

Place: Mumbai
Date: 25.07.2025



Annexure I

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING THEIR INDEPENDENCE:

The Nomination and Remuneration Committee and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's operations. Based on the review the Committee/ Board shall formulate the skills, knowledge and experience to be possessed by the Independent Director on case-to-case basis.

The Nomination and Remuneration Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same periodically. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director. In addition, the Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013 and should satisfy the criteria of independence, as laid down in Companies Act, 2013.

REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES.

Executive Directors:

The Remuneration of Managing Director, PMHBL will be governed as per the terms of deputation of the Promoter Company which has nominated the Managing Director.

Non-Executive Directors:

The non-executive Directors on the Board are executives of PSU ie ONGC/ HPCL/ MRPL and shall neither be eligible for sitting fee nor any other remuneration from the Company.

Independent Directors:

The Independent Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof as per following details:

- Rs. 10,000/- per day for meeting of Board of Directors
- In case Committee meetings are on the same day as Board meeting, No sitting fee for the Committee meeting. Otherwise Rs. 5,000/- per day for Committee meeting.

Remuneration to KMP and other employees:

KMP and other employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the approved grade and shall be based on various factors such as job profile, skill sets, seniority, experience etc.



Annexure II

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2024-25				
1 Brief outline on CSR Policy of the Company.				
The Corporate Social Responsibility Committee formulated and recommended to the Board, a Corporate Social Responsibility Policy bringing out the activities to be undertaken by the Company, which has been approved by the Board.				
The company has identified the following five CSR thrust areas:				
(i) Promoting health care and sanitation				
(ii) Promoting education, employment enhancing vocation skills and livelihood enhancement project				
(iii) Promoting Women Empowerment				
(iv) Promoting Environmental Sustainability & conservation of Natural Resources				
(v) Promoting Rural Development in alignment with other thrust areas				
2 Composition of CSR Committee:				
Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
(i)	Sri Subodh Batra	Chairman, CSR Committee & Director on the Board	2	2
(ii)	Sri Sudhir Kumar	Member, CSR Committee & Managing Director on the Board	2	2
(iii)	Smt. Pinky Rai	Member, CSR Committee & Director on the Board	2	1

Note:

- Sri MV Mukundan, Managing Director was member of CSR Committee till 31.05.2024
- Sri M Shyamprasad Kamath, Director was member of CSR Committee till 12.07.2024

3. Provide the web-link(s) where composition of CSR committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

Weblink of Composition of CSR Committee: <https://petronetmhbl.com/csr>

Weblink of CSR Policy: <https://www.petronetmhbl.com/csr>

Weblink of CSR annual action plan: <https://petronetmhbl.com/csr>



4.	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable					Not applicable
5	a. Average net profit of the company as per sub-section (5) of section 135					Rs. 1081327502
	b. Two percent of average net profit of the company as per sub-section (5) of section 135					Rs. 21626550
	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.					Nil
	e. Total CSR obligation for the financial year [(b)+(c)-(d)]					Rs. 21626550
6.	a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).					Rs. 20969520
	b. Amount spent in Administrative Overheads.					Rs. 1048476
	c. Amount spent on Impact Assessment, if applicable					Nil
	d. Total amount spent for the Financial Year [(a)+(b)+©].					Rs. 22017996
	e. CSR amount spent or unspent for the Financial Year:					
Amount Unspent (in ₹)						
Total Amount Spent for the Financial Year (in ₹)		Total Amount transferred to Unspent CSR Account as per subsection (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 Fund	Amount Date of Transfer	
22017996.00		0.00	-	-	0.00 -	
f. Excess amount for set-off, if any:						
SI No.	Particular				Amount (in Rs.)	
(1)	(2)				(3)	
I)	Two percent of average net profit of the company as per sub-section (5) of section 135				21626550	
ii)	Total amount spent for the Financial Year				22017996	
iii)	Excess amount spent for the Financial Year [(ii)-(I)]				391446	
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)]				391446	



7	Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:							
(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Sub Section (6) of Section 135 (in ₹)	Balance amount in Unspent CSR Account under Sub Section (6) of Section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund 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 ₹.)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	2022-23	0	0	0	0	0	0	0
2	2023-24	0	0	0	0	0	0	0
3	2024-25	0	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0	0

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

Yes	✓
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No	
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If Yes, enter the number of Capital assets created/ acquired:68



Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
1	Providing Ambulance (D-type) and New Born Baby Care Unit (Neonatal Intensive Care Unit) & ICU Cot	573116	8-Nov-2024	2760631	Not Applicable	Community Centre, Nuggehalli	Nuggehalli HealthHobli, Channarayapatna Taluk, Hassan District
2	Ambulance, D-Type (Advance Life Support Ambulance)	561101	8-Nov-2024	2514811	Not Applicable	Govt. Primary Health Centre, Kuduru Dist	Kuduru Hobli, Magadi Taluk, Ramnagara
3	Providing Anesthesia Work Station Machine and Autoclave Machine	574211	30-Aug-2024	1167119	Not Applicable	Taluk Hospital, Bantwal	Govt. Taluk Hospital, Bantwal, Dakshina Kannada District
4	Desktop Computers	572130	13-Mar-2025	953707	Not Applicable	Mahatma Gandhi Govt PU College, Kunigal	Kunigal Town, Kunigal Taluk, Tumkur District
5	Desks, Benches, Computers with Tables and Projectors for Smart Class	574233	10-Dec-2024	917445	Not Applicable	Karnataka public School (High School Section), Punjalkatte	Punjalkatte, Belthangady taluk, Dakshina Kannada
6	Desks, Benches, Desktop Computers with Tables and Projectors for Smart Class	574233	10-Dec-2024	862251	Not Applicable	Govt. Primary School KPS Punjalkatte	Punjalkatte, Kukkala Village, Punjalakatte Post, Beltangady taluk, Dakshina Kannada
7	X Ray Machine	574243	8-Mar-2025	614276	Not Applicable	Community Health Centre, Vittal	Community Health Centre, Vittal, Bantwal Tq. Dakshin Kannada District
8	Desks, Benches, Desktop Computers with Tables, Projectors for Smart Class	574142	4-Mar-2025	550467	Not Applicable	Higher Primary School, Karambar	Karambar, Malavoor Grama, Mangalore north, Bajpe Post, Dakshina Kannada



Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
9	CBC & Biochemistry Analyzer and Microscope	572120	30-Aug-2024	540961	Not Applicable	Govt. Primary Health Centre, Baktharahalli	Baktharahalli Village, Kunigal Taluk, Tumkur District
10	Desks and Benches	574228	27-Nov-2024	467794	Not Applicable	Govt. Primary School, Hurudi	Hurudi, Sakleshpur Taluk, Hassan
11	Desks, Benches, Desktop Computers with Tables and Projectors for Smart Class	574216	30-Mar-2025	417441	Not Applicable	Govt. Higher Primary school, Kanyadi	Kanyadi, Belthangady Taluk, Dakshina Kannada
12	Desks, Benches, Smart Class with Interactive Board and Projector	573101	27-Dec-2024	413148	Not Applicable	Gov.t Higher Primary School	Arehalli, Tq: Belur, Dt: Hassan
13	Civil infrastructure for RMSA building	560067	11-Dec-2024	381055	Not Applicable	Govt. School, Junior PU College, Devalapura.	Devalapura, Hoskote Taluk, Bangalore Rural District
14	Desktop Computers with Tables and Projectors for Smart Class	574151	4-Mar-2025	316629	Not Applicable	Govt. Primary School, Malali	Malali Post, Tenkulipady Village, Mangalore taluk, Dakshina Kannada
15	Desktop Computers with Tables and Projectors for Smart Class	574151	4-Mar-2025	316629	Not Applicable	Govt. High School, Malali	Malali Post, Badagulipadi Village, Mangalore taluk, Dakshina Kannada
16	Desktop Computers with Tables and Water filters (Capacity 50 liters storage and 25 LPH)	574233	30-Nov-2024	270434	Not Applicable	Govt. primary school, Pandavarakallu	Pandavarakallu, Badagakajekavu Post, Dakshina Kannada - 574233
17	Desks, Benches and Desktop Computers with Tables	574224	27-Nov-2024	268609	Not Applicable	Govt Primary school, Koyyuru	Koyyuru, Adurperal, Belthangady, Dakshina Kannada



Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
18	Sanitary Napkins Vending Machine, Sanitary napkins and Burning Incinerator	572130	13-Nov-2024	265811	Not Applicable	Govt High School, Kunigal Town	Kunigal Town, Kunigal Taluk, Tumkur District
19	Desktop Computers with Tables, Projectors and Water Purifiers	574211	5-Nov-2024	256318	Not Applicable	Govt. High School, Panjikallu	Panjikallu Post & Grama, Bantwal Taluk, Near Grama Panchayath, Dakshina Kannada
20	Desks and Benches	573123	8-Nov-2024	249795	Not Applicable	Govt Higher Primary School	Udayavara, Tq: Sakaleshpur, Dt: Hassan
21	Desks and Benches	573101	8-Nov-2024	249795	Not Applicable	Govt PU College	Arehalli, Tq: Belur, Dt: Hassan
22	Desks and Benches	574228	27-Nov-2024	233897	Not Applicable	Govt Higher Primary school, Maya	Maya, Bellal Gram Village, Dakshina Kannada
23	Desks and Benches	574142	10-Dec-2024	233838	Not Applicable	Govt. High Primary School, Kenjar	Kenjar, Mangalore Noth, Pejawara Post, Dakshina Kannada
24	Desks, Benches, Desktop Computers with Tables and Projectors for Smart Class	574265	4-Mar-2025	222462	Not Applicable	Govt. High School, Kavalakatte	Kavalakatte, Kavalamudur Village, Kavalakatte Post, Bantwal taluk, Dakshina Kannada
25	Desktop Computers with Tables and Projectors for Smart Class	574265	5-Nov-2024	211086	Not Applicable	Govt. Higher Primary School, Kavalamuduru	Kavalamuduru, Kavalakatte Post, Bantwal taluk, Dakshina Kannada
26	Desks and Benches	573213	8-Nov-2024	208163	Not Applicable	Govt. Higher Primary School	Alur, Dt: Hassan



Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
27	Desks, Benches and Projectors for Smart Class	574214	30-Mar-2025	205170	Not Applicable	Govt. Higher Primary school, Koyyuru Temple	Koyyur Temple, Dakshina Kannada
28	Desks and Benches	574211	10-Dec-2024	194865	Not Applicable	Govt. Primary School, Ermalpadavu	Ermalpadavu, Arala Village & Post, Bantwal Taluk, Dakshina Kannada
29	Desks, Benches, Desktop Computers with Tables and Projectors for Smart Class	575011	10-Dec-2024	183489	Not Applicable	Govt. High Primary School, Thokur	Thokur, Jokatte, (62 Thokur) Mangalore taluk, Dakshina Kannada
30	Desks, Benches, Desktop Computers with Tables and Water filters (Capacity 50 liters storage and 25 LPH)	574217	29-Nov-2024	179383	Not Applicable	Govt. Primary school, Govinduru	Govinduru, Gerukatte, Kaliya Village, Nala post, Dakshina Kannada -574217
31	Desks, Benches, Tables and Chairs for Nali Kali	573141	8-Nov-2024	177993	Not Applicable	Govt. Primary School	Didaga, Tq: Channaraya -patna, Hassan
32	Desktop Computers with Tables	574224	30-Nov-2024	169017	Not Applicable	Govt. Higher Primary school, Machina	Machina, Belthangady Taluk, Dakshina Kannada
33	Desks and Benches	573141	8-Nov-2024	166530	Not Applicable	Govt. High School	Didaga, Tq: Channaraya patna, Hassan
34	Smart Class with Interactive Board and Projector	573217	27-Dec-2024	163353	Not Applicable	Govt. Higher Primary School	Haluvagilu, Tq: Hassan
35	Smart Class with Interactive and Projector	573220 Board	27-Dec-2024	163353	Not Applicable	Govt. Higher Primary School	Shanthigrama, Tq: Hassan
36	Smart Class with Interactive Board and Projector	572227	27-Dec-2024	163353	Not Applicable	Govt. Higher Primary School	Dabbeghatta , Tq: Turuvekere, Dt: Tumkur



Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
37	Desks and Benches	574240	27-Nov-2024	155931	Not Applicable	Govt Primary school, Dompadapalke	Dompadapalke, Ujire, Dakshina Kannada -574240
38	Desks and Benches	574265	10-Dec-2024	155892	Not Applicable	Govt. PU College, Kavalapadoor	Kavalapadoor, Vogga (High School Section) Bantwal Taluk, Dakshina Kannada
39	Desks and Benches	574144	10-Dec-2024	155892	Not Applicable	Govt. High School, Muttur	Muttur, Kalavoor Post, Mangalore taluk, Dakshina Kannada
40	Desks and Benches	574144	10-Dec-2024	155892	Not Applicable	Govt. Pre-University collage, Muttur	Muttur, Kalavoor Post, Mangalore taluk, Dakshina Kannada
41	Desks, Benches, Tables and Chairs for Nali Kali	573127	8-Nov-2024	136360	Not Applicable	Govt. Primary School	Kesaguli, Tq: Sakaleshpur Dt: Hassan
42	Desks, Benches, Tables and Chairs for Nali Kali	573201	8-Nov-2024	136360	Not Applicable	Govt. Primary School	Hosakoppalu, Tq: Hassan
43	Desks, Benches, Tables and Chairs for Nali Kali	573217	8-Nov-2024	136360	Not Applicable	Govt. Primary School	Kandali, Tq: Hassan
44	Desks and Benches	574228	27-Nov-2024	127205	Not Applicable	Govt. Primary School, Thottathady	Thottathady, Belthangady Taluk, Dakshina Kannada
45	Desktop Computers with Tables, Projectors for Smart Class	574265	5-Nov-2024	105543	Not Applicable	Govt. Higher Primary School, Kadabettu	Kadabettu, Bantwala, Kavalapadur Vagga, Dakshina Kannada
46	Desktop Computer with Table, Water filters (Capacity 50 liters storage and 25 LPH)	574228	30-Nov-2024	101417	Not Applicable	Govt. Primary school, Neriya	Neriya Village, Belthangady Taluk, Dakshina Kannada



Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
47	Projectors for Smart Class and Water filters (Capacity 50 liters storage and 25 LPH)	574216	30-Mar-2025	94317	Not Applicable	Govt. Primary school, Kemmate	Dharmasthala Dakshina Kannada
48	Water Purifiers	574142	3-Oct-2024	90464	Not Applicable	Govt. Primary School, Karambar 574142 -2 No	Karambar, Malavoor Grama, Mangalore north, Bajpe Post, Dakshina Kannada
49	Desks and Benches	574211	10-Dec-2024	77946	Not Applicable	Higher Primary School, Acharipalke	Acharipalke, Panjikol Post, Bantwal Taluk, Dakshina Kannada
50	Desktop Computers with Tables	574214	30-Nov-2024	56339	Not Applicable	Govt. Primary school, Paledu	Paledu, Thannirupantha, Belthangady Taluk, Dakshina Kannada
51	Desktop Computers with Tables	574214	30-Nov-2024	56339	Not Applicable	Govt. Primary school, Koyyuru	Koyyuru , Belthangady Taluk, Dakshina Kannada
52	Desktop Computers with Tables	574217	30-Nov-2024 Belthangady	56339	Not Applicable	Govt. Higher Primary school, Nala	Nala, Taluk, Dakshina Kannada
53	Table and Chair for Nali Kali	573125	8-Nov-2024	53095	Not Applicable	Govt. Primary School	Kodigehalli, Tq: Alur, Dt: Hassan
54	Table and Chair for Nali Kali	573111	8-Nov-2024	53095	Not Applicable	Govt. Primary School	Govinakere, Tq: Channarayana patna, Dt: Hassan
55	Projector for Smart Class	574217	30-Mar-2024	49239	Not Applicable	Govt. Higher Primary school, Govinduru	Govinduru, Gerukatte, Kaliya Village, Nala post, Dakshina Kannada



Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
56	Projector for Smart Class	574214	30-Mar-2025	49239	Not Applicable	Govt. Primary school, Kalenja	Kalenja, Belthangady Taluk, Dakshina Kannada
57	Projector for Smart Class	574214	30-Mar-2025	49239	Not Applicable	Govt. Higher Primary school, Odinala	Odinala Belthangady Taluk, Dakshina Kannada
58	Desks and Benches	574142	10-Dec-2024	46768	Not Applicable	Govt. High Primary School, Adyapady	Adyapady, near Adyapadi post office, Mangalore, Dakshina Kannada
59	Water Purifiers	574265	3-Oct-2024	45232	Not Applicable	Govt. Primary School, Kadabettu	Kadabettu, Bantwala, Kavalapadur Vagga, Dakshina Kannada
60	Water Purifiers	574219	3-Oct-2024	45232	Not Applicable	Govt. Primary School, Pallipadi	Pallipadi, Kriangala Grama, Polalli Post, Bantwal Taluk Dakshina Kannada
61	Water filters (Capacity 50 liters storage and 25 LPH)	574240	29-Nov-2024	45078	Not Applicable	Govt. Higher Primary school, Dompadapalke	Dompadapalke, Ujire, Dakshina Kannada
62	Water filters (Capacity 50 5 liters storage and 25 LPH)	74217	29-Nov-2024	45078	Not Applicable	Kaliya Grama Panchayath	Kaliya Grama Panchayath, Kaliya, Belthangady Taluk, Dakshina Kannada
63	Water filters liters storage and 25 LPH)	574224	29-Nov-2024	45078	Not Applicable	Grama Panchayath, Machina	Grama Panchayath, Machina, Belthangady Taluk, Dakshina Kannada
64	Water filters (Capacity 50 liters storage and 25 LPH)	574240	29-Nov-2024	45078	Not Applicable	Govt. Higher Primary school, Maya	Maya, Bellal, Belthangady Taluk, Dakshina Kannada



Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
65	Water filters (Capacity 50 liters storage and 25 LPH)	574228	29-Nov-2024	45078	Not Applicable	Govt. High School, Kakkinje	Kakkinje, Mundaje, Dakshina Kannada
66	Water filters (Capacity 50 liters storage and 25 LPH)	574240	29-Nov-2024	45078	Not Applicable	Grama Panchayath, Bellal	Belthangady Taluk, Dakshina Kannada
67	Water filters (Capacity 50 liters storage and 25 LPH)	573165	29-Nov-2024	45078	Not Applicable	Govt. Primary School, Hurudi	Sakleshpur Taluk, Hassan
68	Desks and Benches	574214	27-Nov-2024	38983	Not Applicable	Govt primary school, Bollukallu	Bollukallu, Kaliya Village, Dakshina Kannada

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

Not applicable as the Company has spent two percent of the average net profit as per subsection (5) of section 135.

Signature
Sudhir Kumar
Managing Director

Date: 19.04.2025
Place: Bangalore

Signature
Subodh Batra
Chairman, CSR Committee


Project wise list of CSR expenditure for FY 2024-25 by Petronet MHB Limited

Sl. No.	Location	Category	CSR Activity	Quantity (Nos)	Amount spent
1	Mangalore	Education	Providing Bench and Desk to Govt Schools	306	2385151
2	Mangalore	Education	Supply and Installation of Computer with Table at Govt. Schools under Mangalore	24	1351291
3	Neriya	Education	Providing Computer for school	15	845086
4	Neriya	Education	Providing School Bags and stationary Kit for students	1504	794174
5	Neriya	Education	Providing Bench and Desk for Schools	215	1676261
6	Hassan	Education	Desk & Bench for Govt. Schools	180	1498771
7	Hassan	Education	Table and Chair for Nali Kali	150	318571
8	Hassan	Education	Smart Class with Interactive Board and Projector	4	653411
9	Devangonthi	Education	Civil infrastructure for RMSA building of Govt School, Junior PU College, Devalapura.	Job	381055
10	Devangonthi	Education	Desktop Computers to Govt School in Kunigal	19	953707
11	Mangalore & Neriya	Education	Projector for Smart Class at Govt. Schools under Mangalore and Neriya	31	1526411
12	Mangalore	Sanitation	Providing Water Purifier to Govt. Schools	11	226161
13	Neriya	Sanitation	Providing Water filters (Capacity 50 liters storage and 25 LPH) to Schools and Grama Panchayaths	5	495861
14	Devangonthi	Sanitation	Sanitary Napkins, Vending Machine, and Burning Incinerator at Govt Schools and PU College at Kunigal	58008	265811
15	Mangalore	Health	Providing Horizontal Autoclave Machine	1	287411
16	Mangalore	Health	Providing Anesthesia Work Station Machine	1	879708
17	Hassan	Health	Providing Ambulance (D-type)	1	2514811
18	Hassan	Health	New Born Baby Care Unit (Neonatal Intensive Care Unit)	2	104409
19	Hassan	Health	Providing ICU cots	4	141411



Project wise list of CSR expenditure for FY 2024-25 by Petronet MHB Limited

Sl. No.	Location	Category	CSR Activity	Quantity (Nos)	Amount spent
20	Devangonthi	Health	Providing Ambulance, D-Type (Advance Life Support Ambulance) to Primary Health Center, Kudur	1	2514811
21	Devangonthi	Health	Supply of CBC & Biochemistry Analyzer and Microscope	3	540961
22	Mangalore	Health	X Ray Machine	1	614276
			Sub Total		20969520
			Admin. Expenses @5%		1048476
			Grand Total		22017996

Signature
Sudhir Kumar
Managing Director

Signature
Subodh Batra
Chairman, CSR Committee

Date: 19.04.2025
Place: Bangalore



Annexure III

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

PETRONET MHB LIMITED
Corporate Miller, 2nd Floor
Block B, 332/1, Thimmaiah Road
Vasanth Nagar, Bengaluru – 560052
CIN: U85110KA1998GOI024020

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s.PETRONET MHB LIMITED (CIN: U85110KA1998GOI024020)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

The Company is:

- (a) An Unlisted Public Company (as defined in Section 2(71) of the Companies Act 2013)
- (b) A Joint Venture Company with exemption from appointment of Independent Directors, as per Rule 4 (2) of the Companies (Appointment and Qualification of Directors) Rules 2014, as amended.
- (c) Not required to constitute Audit Committee and Nomination and Remuneration Committee as it is not covered under Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 pursuant to Rule 6 of the Companies (Meeting of the Board and its Powers) Rules, 2014.
- (d) Required to have a woman director in its Board in accordance with Rule 3 of Companies (Appointment and Qualifications of Directors) Rules, 2014
- (e) A Government Company (as defined in Section 2(45) of the Companies Act, 2013) with exemptions from some of the provisions of the Companies Act, 2013 as per Notification No. GSR 463(E), dated 05.06.2015 issued by the Ministry of Corporate Affairs, as amended and
- (f) A Subsidiary Company of Oil and Natural Gas Corporation Limited (Government Company) w.e.f. 31.01.2018 (as defined in Sec 2 (87) of the Companies Act 2013.
- (g) subject to supplementary Audit by the Comptroller and Auditor General of India.
- (h) an Unlisted Public Company, hence the provisions of Securities and Exchange Board of India Act, 1992 ('SEBI Act') and Regulations and Guidelines prescribed thereunder are not applicable to the Company.

The Company is engaged in the business of transportation of Petroleum products through pipeline system and it is required to comply with the applicable provisions of safety and related laws for transportation of hazardous substances/materials.



Management's Responsibility for Secretarial Compliances:

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Secretarial Auditor's Responsibility:

My responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

Based on my 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, I hereby report that, in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Memorandum and Articles of Association of the Company;
- (iii) The Securities Contract (Regulation) Act, 1956 (SCRA) and the Rules made thereunder; (Not applicable to the Company during the audit period)
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. There were no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the financial year under Report.
- (vi) I further report that, having regards to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following Laws applicable specifically to the Company:
 - a) Water (Prevention and Control of Pollution) Act, 1974, Amended 1988 & Rules, 1975
 - b) Air (Prevention and Control of Pollution) Act, 1981 Amended 1987 & Rules, 1982
 - c) Water (Prevention and Control of Pollution) Cess Act, 1977 amended 2006 & Rules, 1978
 - d) Noise Pollution (Regulation and Control) Rules, 2000 and amended 2002
 - e) Environment (Protection) Act, 1986, amended 2018 & Rules 1986 amended 2023
 - f) The Public Liability Insurance Act, 1991 amended 2016
 - g) Batteries Management & Handling Rules, 2022
 - h) Petroleum Act, 1934 amended 1977, Petroleum Rules 2002 amended 2024
 - i) Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 amended 2021.



- j) Petroleum and minerals pipelines (Acquisition of right of user inland) Act, 1962 amended 2011
- k) Petroleum and Natural Gas Regulatory Board Act, 2006 with rules & regulations.
- l) Petroleum & Natural Gas Regulatory Board (levy of fee and other charges) Regulations, 2007 and other allied acts
- m) The Hazardous & other Waste (Management & Transboundary movement) Rules, 2016 amended 2024
- n) Forest (Conservation) Act, 1980
- o) The Contract Labour (Regulation and Abolition) Act, 1970 and various allied acts
- p) Factories Act, 1948
- q) EPF Act, 1952
- r) ESI Act, 1948
- s) Maternity Benefit Act, 1961
- t) Sexual Harassment of Women at Workplace (Prevention and Prohibition and Redressal) Act, 2013
- u) The Central Motor Vehicles Rules, 1989 as amended in 2001
- v) Codes of Practices for Emergency Response and Disaster Management Plan (ERDMP), 2010 under PNGRB regulations.
- w) The Karnataka Shops & Commercial Establishments Act, 1961
- x) The Karnataka tax on Professions, Trades, Callings and Employment Act, 1976
- y) Right to Information Act, 2005

I have also examined compliance with the applicable clauses of Secretarial Standards with regard to meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

Accordingly, I state that during the period under review there were adequate systems and processes in place to monitor and ensure compliance with various applicable laws and that the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards etc., mentioned above.

I have not examined compliance by the Company with respect to:

- 1) Applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial auditors and other designated professionals.
- 2) Listing Agreement with the Stock Exchange(s) and the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as the company is an Unlisted Public Company.

I further report that the Board of Directors of the Company is duly constituted. 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 notices were given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent in advance 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.

As per the minutes of the Board Meetings duly recorded and signed by the Chairman, the decisions at the Meetings were unanimous and no dissenting views have been recorded.

I further report that based on the statutory compliance reports obtained by the management and taken on record at the Board Meetings, there were 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.

The Company has constituted the following Board Committees:

- (i) Audit Committee
- (ii) CSR Committee
- (iii) Nomination and Remuneration Committee

There were no amendment/modification of the Memorandum and Articles of Association of the Company during the period under report.

I have also examined the adequacy of systems and processes to monitor and ensure Compliance with the provisions of other applicable Laws such as Indian Contracts Act, Labour Laws and Industrial Laws report that there are adequate systems and processes are in place in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable other laws, rules, regulations and guidelines.

I further report that, during the audit period there were no other specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs in pursuance of the above referred laws, rules etc.

Maureen Anjula Lavanya Williams
Practicing Company Secretary
ACS No: A19147
CP No: 18334
UDIN: A019147G000764991
Peer Review No.4582/2023

Date: 12.07.2025

Place: Bangalore

Enclosed: 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
PETRONET MHB LIMITED
Corporate Miller, 2nd Floor
Block B, 332/1, Thimmaiah Road
Vasanth Nagar, Bengaluru – 560052
CIN: U85110KA1998GOI024020

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

- 1) Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2) I have followed the audit practices and process as are 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
- 5) The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure 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.

Maureen Anjula Lavanya Williams
Practicing Company Secretary
ACS No: A19147
CP No: 18334
UDIN: A019147G000764991
Peer Review No.4582/2023

Date: 12.07.2025
Place: Bangalore



Annexure IV

Form No. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Refer instruction kit for filing the form All fields marked in * are mandatory

*Name of the Company	Petronet MHB Limited
----------------------	-----------------------------

1. Details of contracts or arrangements or transactions not at arm's length basis

*Number of contracts or arrangements or transactions not at arm's length basis	Nil
--	-----

Block-1	
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	N.A.
Name(s) of the related party	N.A.
Nature of relationship	N.A.
Nature of contracts/ arrangements/ transactions	N.A.
Duration of the contracts / arrangements/ transactions	N.A.
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	N.A.
Justification for entering into such contracts or arrangements or transactions	N.A.
Date of approval by the Board (DD/MM/YYYY)	N.A.
Amount paid as advances, if any	N.A.
Date on which the resolution was passed in general meeting as required under first proviso to section 188 (DD/MM/YYYY)	N.A.
SRN of MGT-14	N.A.

2. Details of material contracts or arrangements or transactions at arm's length basis

Number of material contracts or arrangements or transactions at arm's length basis	1
--	---



BLOCK-1

Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number

(PAN)/Passport for individuals or any other registration number

Name(s) of the related party

Nature of relationship

Nature of contracts/ arrangements/ transactions

Duration of the contracts / arrangements/ transactions

Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount

Date of approval by the Board (DD/MM/YYYY)

Amount paid as advances, if any

L23201MH1952GOI008858

AAACH1118B

Hindustan Petroleum Corporation Ltd

Investing Party

Transportation of Petroleum Products

Ongoing, in ordinary course of business on arm's length basis.

Transportation Tariff as per PNGRB Tariff Order from time to time.

Total transaction amount for the FY 2024-25 – Rs. 81.93 Crore including GST.

27.03.2024

Nil

Attachments

(a) Optional Attachment.

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Declaration

I am authorised by the Board of Directors of the Company vide resolution number* 36/2025-26 dated* 25.07.2025 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

*** To be digitally signed by**

*Designation **CFO**

(Director/Manager/Secretary/CEO/CFO/Interim Resolution Professional (IRP)/ Resolution Professional(RP)/Liquidator)

Director identification number of the director; or PAN of the manager or CEO or CFO or Interim Resolution Professional (IRP) or Resolution Professional (RP) or Liquidator; or Membership number of the secretary.

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Annexure V

A. Conservation of Energy:

- a) As a green energy initiative, Solar power plant of total 3.828 MWp Capacity is installed at Mangalore, Hassan, Devangunthi & SV/IP locations during 2019-20 at a cost of Rs. 16.23 Cr.
- b) Total Solar units produced during FY 2024-25 is 50.71 Lakh KWHr which is contributing to ~24 % of total power consumption of the Company.
- c) Approx. 4380 Tons CO2 equivalent reduction achieved during the year 2024-25 with the operations of 3828 KWp Solar power plant.
- d) Solar power charged Battery Storage System (Lithium phosphate Battery Banks) installed at 2 Sectionalizing valve stations (SV 4 & 10) in place of conventional DG sets enhancing performance of equipment due to clean regulated power supply
- e) Optimum usage of combination of single and dual mainline pumps at Mangalore as per throughput requirement to minimize the power consumption..

B. Technology Absorption:

- a) Solar power charged Battery Storage System (Lithium phosphate Battery Banks) installed at 2 Sectionalizing valve stations (SV 4 & 10) in place of conventional DG sets enhancing performance of equipment due to clean regulated power supply.
- b) Restoration of Mangalore mainline pumps to 5.60 MMTPA pumping capacity with 4 impellers as per original design
- c) Commissioned first unmanned installation of the Company at SV 10 station in Devangunthi Jurisdiction
- d) Implementation of CCTV analytics in Mangalore & Neriya jurisdictional locations
- e) For development of AI-ML solution for pipeline security; MRA is signed between PMHBL & IISc, Bengaluru in March'2025.
- f) Development of net zero plan for the Company by CSIR – NEERI is in progress.

There was no import of technology during the financial year.

C. Foreign Exchange earning & outgo:

During the financial year, there were no foreign exchange earning & outgo.

For and on behalf of the Board of Directors
Annexure I to V

(Anuj Kumar Jain)
DIN 09560713
Chairman

Place: Mumbai
Date: 25.07.2025



INDEPENDENT AUDITOR'S REPORT

To,
The Members of M/s. Petronet MHB Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **M/s. Petronet MHB Limited** ("**the Company**"), which comprise the balance sheet as at March 31, 2025, the statement of Profit and Loss, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the standalone 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 of the Company as at March 31, 2025 and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Information Other than the standalone 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 Company's annual report but does not include the standalone financial statements and our auditor's report thereon. Such other information is expected to be made available to us after the date of this auditor's report.

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 when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action accordingly.

Responsibility of Management for the standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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 judgement 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 controls 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 disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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 Balance Sheet, the Statement of Profit and Loss, statement of changes in equity and the Cash Flow Statement 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. As per notification number G.S.R. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 164(2) of the Act regarding the disqualifications of Directors is not applicable to the Company, since it is a Government Company;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. As per notification number G.S.R. 463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 197 of the Act regarding remuneration to director is not applicable to the Company, since it is a Government 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 litigation's on its financial position in its standalone financial statements – Refer Note No.30 of the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there are material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The management has represented that, to the best of its knowledge and belief, 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 or entity, including foreign entity ("Intermediary"), 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 or entity, including foreign entity ("Funding Party"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
 - v. The dividend paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.
 - vi. Pursuant to rule 3(1) of the Companies (Accounts) Rules, 2014 and clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, the company is using accounting software (SAP S/4 HANA) for maintaining its books of accounts which has a feature of recording audit trail facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.
3. As required by section 143 (5) of the Act, we give in "Annexure C", a statement on the matters specified by the Comptroller and Auditor General of India for the company.

Place: Bangalore
Date: 19-04-2025

For AR Viswanathan & Co
Chartered Accountants
Firm Regn No. 04765S

Shraddha A V
Partner
Membership No: 227999
UDIN: 25227999BMKZXG3760



“Annexure A” to the Independent Auditors Report

(Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the standalone financial statements of the company for the year ended 31st March, 2025)

As per the books and records produced before us and as per the information and explanations given to us and based on such audit checks that we considered necessary and appropriate, we confirm that:

- I. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
 - a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of all Property, Plant and Equipment and relevant details of right-of-use assets having useful life.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - b. As per the information and explanation given us, all Property, Plant and Equipment, right-of-use assets and other Intangible assets have been physically verified by the management during the year which in our opinion, is reasonable having regard to size of the company and the nature of its assets. As explained to us no material discrepancies were noticed on such verification.
 - c. As per the information and explanation given us and based on the examination of the records of the Company, the title deeds of 5 pieces of immovable properties are not held in the name of the company in respect of lands allotted by KIADB amounting to Rs. 31.10 Lakhs, the Lease cum sale agreements were entered into, however absolute sale deed yet to be executed.
 - d. As per the information and explanation given to us the Company has not revalued any of its Property, Plant and Equipment (including right of-use assets).
 - e. As per the information and explanation given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - a. The company is a service company, primarily rendering transportation of petroleum products. Accordingly, it does not hold any physical inventories other than stores, spares and project surplus.
 - i. The management has conducted physical verification of such inventories at the end of the year.
 - ii. No material discrepancies were noticed during such verification.
 - b. The Company has not been sanctioned working capital limits in excess of 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. As per the information and explanation given to us, the company has not made investments in, provided any guarantee or security or granted any loans, secured or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties. Hence reporting under clause 3(iii) of paragraph 3 of the Order are not applicable.
- iv. As per the information provided and explanation given to us, there are no loans, investments, guarantees, and security under section 185 and 186 of the Companies Act 2013. Hence the provisions of clause 3(iv) of paragraph 3 of the Order are not applicable.
- v. As per the information provided and explanation given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.



vi. As per the information and explanation given to us, the Company maintains accounts and records pursuant to rules made by the Central Government under section 148(1) of the Act, in respect of Company's products to which the said rules are made applicable. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii.

a. As per the information and explanations given to us, the company has generally been regular in depositing undisputed statutory dues including Goods and service tax, provident fund, income-tax, cess and other statutory dues to the appropriate authorities. As explained to us, the company did not have any dues on account of employee's state insurance, duty of customs and duty of excise.

As per the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as on March 31, 2025 for a period of more than 6 months from the date they became payable.

b. As per the information and explanations given to us, the following statutory dues have not been deposited on account of dispute:

Statute	Nature of dues	Amount ₹ in lakhs	Forum where dispute is pending
Income tax Act, 1961	Income tax for FY 2016-17	30.40	Commissioner of Income Tax (Appeal)

viii. As per the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961). Hence, reporting under clause 3(viii) of the Order is not applicable.

ix. As per the information and explanations given to us, the company does not have any loans or borrowings from a financial institution, bank, Government or issued any debenture. Hence, reporting under clause 3(ix) of the Order is not applicable.

x. As per the information and explanations given to us, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause 3(x) of the Order is not applicable.

xi. a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c. As per the information and explanation given to us, the Company has not received any whistle blower complaints during the year.

xii. The company is not a Nidhi Company. Hence, reporting under clause 3(xii) of the Order is not applicable.

xiii. As per the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.



xiv.

- a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. As per the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and also is not a core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year and hence clause 3(xviii) is not applicable to the company.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx.

- a. As per the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b. As per the information and explanations given to us, there are no ongoing projects, where the Company has any unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year as per the provision of section 135(6) of the Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

Place: Bangalore
Date: 19-04-2025

For **AR Viswanathan & Co**
Chartered Accountants
Firm Regn No. 04765S

Shraddha AV
Partner

Membership No: 227999
UDIN: 25227999BMKZXG3760



“Annexure B” to the Independent Auditor's Report

(Referred to in paragraph 2(f) under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the standalone financial statements of the company for the year ended 31st March, 2025)

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 over financial reporting of M/s. Petronet MHB Limited (“the Company”) as of 31st March, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 over financial reporting 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal



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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the company has, in all material respects, adequate internal financial control over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2025, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Place: Bangalore
Date: 19-04-2025

For **AR Viswanathan & Co**
Chartered Accountants
Firm Regn No. 04765S

Shraddha A V
Partner

Membership No: 227999
UDIN: 25227999BMKZXG3760

**“Annexure – C” to the Independent Auditors Report**

(Referred to in paragraph 3 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the standalone financial statements of the company for the year ended 31st March, 2025)

Direction: I. Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, maybe stated

Observation: The Company is using an IT - ERP system viz. SAP in which the accounting transactions are processed. The accounting transactions including the payroll are inbuilt in the IT-ERP system. The company does not have any outside IT software that needs to be integrated in the accounts..

Direction: II. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial Impact may be stated. Whether such cases are properly accounted for?

Observation: There are no restructuring of an existing loan or cases of waiver write off of debts, loans, interest, etc., made by lender to the company due to the company's ability to repay the loan.

Direction: III. Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.

Observation: No funds were received/receivable for specific schemes from Central / State Government or its agencies.

Place: Bangalore
Date: 19-04-2025

For **AR Viswanathan & Co**
Chartered Accountants
Firm Regn No. 04765S

Shraddha AV
Partner
Membership No: 227999
UDIN: 25227999BMKZXG3760

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

The preparation of financial statements of Petronet MHB Limited for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19.04.2025.

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

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

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

**(S. Velliangiri)
Principal Director of Commercial Audit**

**Place: Chennai
Date: 23.05.2025**



Balance Sheet as at March 31, 2025

₹ In lakhs

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	11,585.87	11,471.31
(b) Right-of-use assets	2.1	6,395.02	584.88
(c) Capital work-in-progress	2.2	375.32	562.75
(d) Investment Property	3	6.97	7.09
(e) Other Intangible assets	4	848.71	866.32
(f) Financial Assets			
(i) Loans	5.1	8.46	-
(ii) Other financial assets	5	282.47	207.52
(g) Other non-current assets	7	50.87	1,508.08
Total Non - Current Assets		19,553.69	15,207.96
Current assets			
(a) Inventories	8	322.00	265.84
(b) Financial Assets			
(i) Trade receivables	9	3,812.32	1,860.59
(ii) Cash and cash equivalents	10	405.95	241.74
(iii) Bank balances other than (ii) above	11	43,219.48	44,156.53
(iv) Loans	5.1	0.71	-
(v) Other financial assets	5	2,191.97	2,132.63
(c) Current Tax Assets(Net)	7.1	77.91	-
(d) Other current assets	12	99.14	129.33
Total Current Assets		50,129.48	48,786.66
Assets classified as held for sale	13	333.27	333.27
Total Assets		70,016.44	64,327.89
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	54,870.73	54,870.73
(b) Other Equity	14.1	3,585.34	4,093.03
Total equity		58,456.07	58,963.76
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	16.1	6,486.47	736.77
(ii) Trade payables	15		
Dues of Micro & Small Enterprises		-	-
Dues to Creditor other than Micro & Small Enterprises		-	-
iii) Other financial liabilities	16	16.18	657.69
(b) Provisions	17	467.96	405.30
(c) Deferred tax liabilities (Net)	6	1,403.36	1,528.01
Total Non - Current Liabilities		8,373.97	3,327.77



₹ In lakhs

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Current liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	16.1	534.38	73.82
(ii) Trade payables	15		
Dues of Micro & Small Enterprises		438.79	91.72
Dues to Creditor other than Micro & Small Enterprises		768.67	351.96
(iii) Other financial liabilities	16	582.09	441.72
(b) Other current liabilities	18	693.94	823.26
(c) Current tax liabilities (Net)	7.2	-	103.24
(d) Provisions	17	168.53	150.64
Total Current Liabilities		3,186.41	2,036.36
Total Equity and Liabilities		70,016.44	64,327.89

The accompanying notes 1 to 37 form an integral part of the financial statements.

As per our report of even date attached
for **A.R. Viswanathan & Co.**
Chartered Accountants
Firm Registration Number: 04765S

Shraddha A V
Partner

Membership Number: 227999

UDIN No.: 25227999BMKZXG3760

for and on behalf of the Board of Directors of
Petronet MHB Limited

Sudhir Kumar
Managing Director
DIN: 10644833

Ramesh Ramasamy
Director
DIN: 10304253

Chandan Kumar Das
Chief Financial Officer

Place : Bangalore
Date : 19/04/2025

Place : Bangalore
Date : 19/04/2025

Sachin Jayaswal
Company Secretary



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

₹ In lakhs

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations	19	16,285.41	14,955.16
Other Income	20	4,319.78	3,612.85
Total Income		20,605.19	18,568.01
Expenses			
Employee benefit expense	21	1,135.88	1,033.03
Finance costs	22	761.91	98.98
Depreciation and amortisation expense	2,2,1,3 & 4	1,441.76	1,075.08
Other expenses	23	3,662.78	3,412.80
Total Expenses		7,002.33	5,619.89
Profit/(loss) before exceptional items and tax		13,602.86	12,948.13
Exceptional Items			
Settlements of legal claim	24	2,403.46	-
Profit before tax		11,199.40	12,948.13
Tax Expense			
Current tax	6	3,017.74	3,310.15
Deferred tax	6	(122.82)	12.41
Total tax expense		2,894.92	3,322.56
Profit for the period		8,304.49	9,625.57
Other comprehensive income			
Items that will not be recycled to profit or loss		-	-
Remeasurements of the defined benefit liabilities / (asset)		(7.26)	(63.53)
Income tax relating to items that will not be reclassified to profit or loss		1.83	15.99
Items that may be reclassified to profit or loss		-	-
Others (specify nature)		-	-
Income tax on items that may be reclassified to profit or loss		-	-
Total Other comprehensive income, net of tax		(5.43)	(47.54)
Total comprehensive income for the period		8,299.06	9,578.03
Earnings per equity share			
Basic	27	1.51	1.75
Diluted	27	1.51	1.75

The accompanying notes 1 to 37 form an integral part of the financial statements.

As per our report of even date attached
for **A.R. Viswanathan & Co.**
Chartered Accountants
Firm Registration Number: 04765S

Shraddha A V
Partner

Membership Number: 227999
UDIN No.: 25227999BMKZXG3760

Place : Bangalore
Date : 19/04/2025

for and on behalf of the Board of Directors of
Petronet MHB Limited

Sudhir Kumar
Managing Director
DIN: 10644833

Chandan Kumar Das
Chief Financial Officer

Ramesh Ramasamy
Director
DIN: 10304253

Sachin Jayaswal
Company Secretary

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

Statement of changes in Equity

(A) Equity Share Capital					₹ In lakhs						
(1) Current reporting period											
Balance as at April 1, 2024	Changes in Equity Share Capital due to prior Period Errors	Restated Balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March,31 2025							
54,870.73	-	54,870.73	-	54,870.73							
54,870.73	-	54,870.73	-	54,870.73							
(2) Pervious reporting period											
Balance as at April 1, 2023	Changes in Equity Share Capital due to prior Period Errors	Restated Balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March,31 2024							
54,870.73	-	54,870.73	-	54,870.73							
54,870.73	-	54,870.73	-	54,870.73							
(B.) Other Equity											
Particulars	Share Application money pending for allotment	Equity component of compound financial instru-ments	Reserves & Surplus			Equity Instru-ments through other compre-hensive income	Debt Instru-ments through other compre-hensive income	Revalua-tion Surplus	Other items of Other Compre-hensive Income (specify nature)	Money received against share warrant	Total Equity attribut-able to equity holders of the Company
			Retained earnings	Capital reserve	General reserve						
Balance as at April 1 2024	-	-	4,093.03	-	-	-	-	-	-	-	4,093.03
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at April 1 2024	-	-	4,093.03	-	-	-	-	-	-	-	4,093.03
Profit for the Period	-	-	8,304.49								8,304.49
Actuarial gains/(loss) on account of re-measurement of defined benefit plans	-	-	(5.43)	-	-	-	-	-	-	-	(5.43)
Total comprehensive income for the year	-	-	8,299.06	-	-	-	-	-	-	-	8,299.06
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	(8,806.75)	-	-	-	-	-	-	-	(8,806.75)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-
Any other Change (to be specified)	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31 2025	-	-	3,585.34	-	-	-	-	-	-	-	3,585.34



Particulars	Share Application money pending for allotment	Equity component of compound financial instruments	Reserves & Surplus			Equity Instruments through other comprehensive income	Debt Instruments through other comprehensive income	Revaluation Surplus	Other items of Other Comprehensive Income (specify nature)	Money received against share warrant	Total Equity attributable to equity holders of the Company
			Retained earnings	Capital reserve	General reserve						
Balance as at April 1 2023	-	-	3,486.37	-	-	-	-	-	-	-	3,486.37
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at April 1 2023	-	-	3,486.37	-	-	-	-	-	-	-	3,486.37
Profit for the Period	-	-	9,625.57	-	-	-	-	-	-	-	9,625.57
Actuarial gains/(loss) on account of re-measurement of defined benefit plans	-	-	(47.54)	-	-	-	-	-	-	-	(47.54)
Total comprehensive income for the year	-	-	9,578.03	-	-	-	-	-	-	-	9,578.03
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	(8,971.36)	-	-	-	-	-	-	-	(8,971.36)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-
Any other Change (to be specified)	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31 2024	-	-	4,093.03	-	-	-	-	-	-	-	4,093.03


The accompanying notes 1 to 37 form an integral part of the financial statements.


As per our report of even date attached for **A.R. Viswanathan & Co.**
Chartered Accountants
Firm Registration Number: 04765S

for and on behalf of the Board of Directors of
Petronet MHB Limited


Shradha A V
Partner

Membership Number: 227999
UDIN No.: 25227999BMKZXG3760


Sudhir Kumar
Managing Director
DIN: 10644833


Ramesh Ramasamy
Director
DIN: 10304253

Chandan Kumar Das
Chief Financial Officer
Place : Bangalore
Date : 19/04/2025

Sachin Jayaswal
Company Secretary



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

₹ In lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Cash flow from operating activities:		
Profit for the period before tax	11,199.40	12,948.13
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortization	1,441.76	1,075.08
Loss on disposal of fixed assets	-	0.83
Interest income on fixed deposits	(3,939.44)	(3,494.10)
Finance Charges on Lease	754.99	83.71
Net gain on lease modification	(238.66)	-
Gain on Sale of Fixed Assets	(1.50)	-
Other adjustments	6.92	15.27
Changes in assets and liabilities		
Trade receivables	(1,951.73)	(119.86)
Other financial assets	(56.32)	21.15
Loans	(9.17)	-
Inventories	(56.16)	(15.40)
Other assets	1,487.40	(40.11)
Trade payables	763.78	13.84
Other financial liabilities	(501.14)	119.14
Provisions and other liabilities	(56.03)	97.73
Cash generated from operations	8,844.10	10,705.41
Income taxes paid	(2,967.17)	(2,971.36)
Net cash generated from operating activities	5,876.93	7,734.04
B. Cash flow from investing activities:		
Acquisition of property, plant and equipment	(509.44)	(340.48)
Proceeds from sale of property, plant and equipment	6.92	1.27
Capital advances	(375.32)	(184.27)
Bank Deposits not considered as cash and cash equivalents	937.05	(694.55)
Interest received on fixed deposits	3,622.84	2,788.55
Net cash from investing activities	3,682.05	1,570.53
C. Cash flow from financing activities:		
Interest expense on lease liabilities	(528.95)	(83.71)
Payment of lease liabilities	(59.06)	(119.54)
Payment of Interim dividends	(8,806.75)	(8,971.36)
Net cash used in financing activities	(9,394.77)	(9,174.62)



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

₹ In lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net increase/(decrease) in cash and cash equivalents	164.21	129.95
Cash and cash equivalents at the beginning of the period	241.74	111.79
Cash and cash equivalents at the end of the period	405.95	241.74

The accompanying notes 1 to 37 form an integral part of the financial statements.

As per our report of even date attached

for **A.R. Viswanathan & Co.**
Chartered Accountants
Firm Registration Number: 04765S

for and on behalf of the Board of Directors of
Petronet MHB Limited

Shraddha A V
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Sudhir Kumar
Managing Director
DIN: 10644833

Ramesh Ramasamy
Director
DIN: 10304253

Chandan Kumar Das
Chief Financial Officer

Place : Bangalore
Date : 19/04/2025

Sachin Jayaswal
Company Secretary

Place : Bangalore
Date : 19/04/2025



Notes to the financial statements for the year ended March 31, 2025

SIGNIFICANT ACCOUNTING POLICIES

1 CORPORATE INFORMATION

Petronet MHB Limited (The 'Company') was incorporated on 31st July, 1998 on common carrier principle to provide petroleum product transportation facility from Mangalore Refinery at Mangalore to the Oil Marketing Companies Terminals at Hassan & Devanagonthi (Bangalore). The Company is a Public Limited Company incorporated & domiciled in India. Its shares are not listed on any recognised stock exchanges in India. The registered office of the company is located at # Corporate Miller 2nd Floor Block B ,332/1 , Thimmaiah Road , Vasanth Nagar , Bangalore Karnataka- 560 052.

SIGNIFICANT ACCOUNTING POLICIES

1.1. Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind ASs) notified under the Companies (Indian Accounting Standards) Rules, 2015.

1.2. Basis of preparation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Corporation's Presentation currency and Functional currency is Indian Rupees (Rs). All figures appearing in the Financial Statements are rounded to the nearest lakhs (Rs Lakhs) , except where otherwise indicated.

1.3. Use of estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and takes assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

1.3.1 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

1.3.2 Valuation of deferred tax assets

The company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 1.11.2.



Notes to the financial statements for the year ended March 31, 2025

1.3.3 Provisions, Contingent liabilities & Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities & Contingent assets are not recognised in the financial statements, however contingent liabilities and Contingent assets are disclosed in the financial statement.

Revisions to accounting estimates are recognized prospectively in the Financial Statements in the period in which the estimates are revised and in any future periods affected.

1.4. Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

1.5. Assets held for sale

Non-current assets and disposal groups are classified as held for sale, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (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 asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

1.6. Revenue Recognition

Revenue is recognised upon transfer of Control of Promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services .



Notes to the financial statements for the year ended March 31, 2025

1.6.1. Income from Services

Transportation income is recognised as upon transfer of service to the customer i.e. on delivery of petroleum products to oil marketing companies. Revenue is recognised by allocating the transaction price as per agreed tariff rate to the distinct service.

1.6.2. Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

1.6.3. Other Income

Insurance claims are accounted on acceptance of claims by respective Insurance Companies. The liquidated damage recovered from contracts (both revenue and capital contracts) is recognised as income as and when recovered.

1.7. Leases

The Company's Lease asset classes primarily consist of leases for Land and Building. 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 assets 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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or if not readily determinable, using the incremental borrowing rates of these leases.

1.8. Foreign Currency

In preparing the financial statements of the company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

1.9. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.



Notes to the financial statements for the year ended March 31, 2025

1.10. Employee Benefits

1.10.1. Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

1.10.2. Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by employees up to the reporting date. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

1.10.3. Defined Contribution Plans-Provident Fund & NPS

The Company makes contribution to Provident Fund which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

The Company had introduced NPS for its employees w.e.f 01 January 2023 within the overall limit of Retirement Benefit Scheme. The obligation of the Company is to contribute to NPS to the extent of



Notes to the financial statements for the year ended March 31, 2025

amount not exceeding 30% of basic pay and dearness allowance as reduced by the employer's contribution towards provident fund and gratuity.

1.11. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1.11.1. Current tax

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

1.11.2. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

1.11.3. Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.12. Property, Plant & Equipment

Land and buildings held for use in the supply of services or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction for supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

1.12.1. Depreciation:

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.



Notes to the financial statements for the year ended March 31, 2025

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of property, plant & equipment is as specified below. Residual value is taken at 5%..

Particulars	Useful lives
Building	3 years to 30 years
Computer equipment	3 years
Server	6 years
Plant and Equipment*	10 to 15 years
- Solar Power Plant	25 years
Roads	5 years
Pipeline	30 years
Office equipment	5 years
Furniture and fixtures*	3 to 10 years

*- Based on the evaluation, the management believes that the useful lives as given above best represent the period over which the management expects to use the assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Schedule II of the Companies Act, 2013.

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

1.13. Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

1.13.1. Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

1.13.2. Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Particulars	Useful lives
Right of Way	Indefinite
Computer Software	6 years

1.14. Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets with finite life, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is



Notes to the financial statements for the year ended March 31, 2025

estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.15. Inventories

Inventories that comprise of stores and spares (which qualify as inventories) are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

1.16. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle, a provision is expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.16.1. Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

1.17. Financial Instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

1.17.1. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery



Notes to the financial statements for the year ended March 31, 2025

of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

1.17.2. Classification of financial assets

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

1.17.3. Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

1.17.4. Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

1.17.5. Impairment of financial assets

The company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss 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 company expects to receive, discounted at the original effective interest rate. The company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.



Notes to the financial statements for the year ended March 31, 2025

If the company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

1.17.6. Derecognition of financial assets

The company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the company retains an option to repurchase part of a transferred asset), the company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.



Notes to the financial statements for the year ended March 31, 2025

1.18. Cash and Cash Equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

1.19. Trade Receivables

Trade receivables are recognised initially at their transaction price and subsequently measured at amortised cost using effect interest rate method, less provision for impairment.

1.20. Trade & other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1.21. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over 30 years from the date of original construction, based on the useful life prescribed in Schedule II to the Companies Act, 2013 using the straight-line method. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based either on the latest available information based on 'stamp duty – annual statement of rates' applicable to the area in which the land is situated, market comparison approach or on periodical evaluation performed by an external independent valuer..

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition

1.22. Earnings per Share

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company does not have any potentially dilutive securities.

1.23. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.24. Rounding of amounts

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



Notes to the financial statements for the year ended March 31, 2025

Note No. 2 - Tangible Assets

Description of Assets	₹ In lakhs								
	Land - Freehold	Buildings - Freehold	Computers and Data Processing Equipment's	Plant and Equipment - Freehold	Roads	Pipeline	Office Equipment	Furniture and Fixtures	Total
I. Gross Block									
Balance as at 1 April, 2024	37.26	2,266.69	234.43	9,068.57	232.73	6,253.02	138.14	161.38	18,392.23
Additions	5.17	159.17	20.12	812.57	11.12	-	28.37	1.52	1,038.04
Disposals	-	-	4.05	7.73	-	16.00	-	7.18	34.96
Reclassified as held for sale	-	-	-	-	-	-	-	-	-
Balance as at 31 March , 2025	42.43	2,425.86	250.50	9,873.41	243.85	6,237.02	166.51	155.72	19,395.31
II. Accumulated depreciation and impairment for the year 2024-25									
Balance as at 1 April, 2024	-	819.02	112.07	3,717.83	123.02	1,975.05	82.51	91.42	6,920.92
Depreciation / amortisation expense for the year	-	107.66	38.05	463.27	19.01	258.76	16.56	14.76	918.07
Eliminated on disposal of assets	-	-	3.85	2.89	-	16.00	-	6.81	29.55
Eliminated on reclassification as held for sale	-	-	-	-	-	-	-	-	-
Balance as at 31 March , 2025	-	926.68	146.27	4,178.21	142.03	2,217.81	99.07	99.37	7,809.44
Net block (I-II)									
Balance as on 31st March 2025	42.43	1,499.19	104.23	5,695.20	101.82	4,019.21	67.44	56.35	11,585.87
Balance as on 31st March 2024	37.26	1,447.68	122.36	5,350.74	109.71	4,277.97	55.63	69.96	11,471.31



Notes to the financial statements for the year ended March 31, 2025

Note No. 2 - Tangible Assets

₹ In lakhs

Description of Assets	Land - Freehold	Buildings - Freehold	Computers and Data Processing Equipment's	Plant and Equipment - Freehold	Roads	Pipeline	Office Equipment	Furniture and Fixtures	Total
I. Gross Block									
Balance as at 1 April, 2023	37.08	2,219.22	170.09	8,960.91	232.73	6,198.93	101.26	168.00	18,088.23
Additions	0.18	47.47	67.03	110.05	-	54.09	37.10	2.23	318.15
Disposals	-	-	2.69	2.39	-	-	0.22	8.85	14.15
Reclassified as held for sale	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2024	37.26	2,266.69	234.43	9,068.57	232.73	6,253.02	138.14	161.38	18,392.23
II. Accumulated depreciation and impairment for the year 2023-24									
Balance as at 1 April, 2023	-	700.92	82.81	3,261.20	96.32	1,727.18	71.62	82.63	6,022.68
Depreciation / amortisation expense for the year	-	118.10	31.82	458.19	26.70	247.87	10.95	16.67	910.30
Eliminated on disposal of assets	-	-	2.56	1.56	-	-	0.06	7.88	12.06
Eliminated on reclassification as held for sale	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2024	-	819.02	112.07	3,717.83	123.02	1,975.05	82.51	91.42	6,920.92
Net block (I-II)									
Balance as on 31st March 2024	37.26	1,447.68	122.36	5,350.74	109.71	4,277.97	55.63	69.96	11,471.31
Balance as on 31st March 2023	37.08	1,518.31	87.28	5,699.71	136.41	4,471.75	29.64	85.37	12,065.55

Notes:

- 1) Plant & Machinery includes ₹ 667.08 Lakhs (P.Y.-667.08 Lakhs) in respect of pipeline intrusion detection system which is joint controlled assets with HPCL.
- 2) Land freehold includes five land allotted by KIADB for which lease cum sale agreement entered into and the absolute sale deed yet to be



Notes to the financial statements for the year ended March 31, 2025

Note No. 2.1 -Right of use Assets

₹ In lakhs

Description of Assets	Prepaid Lease	Land	Building	Total
I. Gross Block				
Balance as at 1 April, 2024	-	998.65	254.76	1,253.41
Additions on account of adoption of Ind AS 116	14.04	6669.03	193.85	6,876.92
Disposals or classified as held for sale	-	998.65	254.76	1,253.41
Balance as at 31st March , 2025	14.04	6,669.03	193.85	6,876.92
II. Accumulated depreciation and impairment for the year 2024-25				
Balance as at 1 April, 2024	-	417.72	250.81	668.53
Depreciation expense for the period	4.30	418.30	63.25	485.85
Eliminated on disposal of assets	-	417.72	254.76	672.48
Balance as at 31st March ,2025	4.30	418.30	59.30	481.90
Net block (I-II)				
Balance as at March 31, 2025	9.74	6,250.73	134.55	6,395.02
Balance as on 31st March 2024	-	580.93	3.95	584.88

₹ In lakhs

Description of Assets	Prepaid Lease	Land	Building	Total
I. Gross Block				
Balance as at 1 April, 2023	-	998.65	254.76	1,253.41
Additions on account of adoption of Ind AS 116	-	-	-	-
Disposals or classified as held for sale	-	-	-	-
Balance as at 31st March , 2024	-	998.65	254.76	1,253.41
II. Accumulated depreciation and impairment for the year 2023-24				
Balance as at 1 April, 2023	-	334.50	202.84	537.34
Depreciation expense for the period	-	83.22	47.97	131.19
Balance as at 31st March ,2024	-	417.72	250.81	668.53
Net block (I-II)				
Balance as at March 31, 2024	-	580.93	3.95	584.88
Balance as on 31st March 2023	-	664.15	51.92	716.07

Note No. 2.2 - Capital Work In Progress

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Unallocated Capital Expenditure	375.32	562.75
Total	375.32	562.75



Notes to the financial statements for the year ended March 31, 2025

Ageing for capital work-in-progress as at March 31, 2025 is as follows:

₹ In lakhs

Amount in capital work-in-progress for a period of					
Capital Work in progress	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in progress	375.32	-	-	-	375.32
Total	375.32	-	-	-	375.32

Ageing for capital work-in-progress as at March 31, 2024 is as follows

₹ In lakhs

Amount in capital work-in-progress for a period of					
Capital Work in progress	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in progress	184.26	262.37	107.71	8.40	562.75
Total	184.26	262.37	107.71	8.40	562.75

Note No. 3 - Investment Property

₹ In lakhs

Description of Assets	Land	Building	Total
I. Gross Block			
Balance as at 1 April, 2024	5.17	3.00	8.17
Additions relating to acquisitions	-	-	-
Disposals or classified as held for sale	-	-	-
Balance as at 31 March, 2025	5.17	3.00	8.17
II. Accumulated depreciation and impairment for the year 2024-25			
Balance as at 1 April, 2024	-	1.08	1.08
Depreciation expense for the year	-	0.12	0.12
Eliminated on disposal of assets	-	-	-
Eliminated on reclassification as held for sale	-	-	-
Balance as at 31 March , 2025	-	1.20	1.20
Net block (I-II)			
Balance as at 31 March , 2025	5.17	1.80	6.97
Balance as on 31st March 2024	5.17	1.92	7.09

₹ In lakhs

Description of Assets	Land	Building	Total
I.Gross Block			
Balance as at 1 April, 2023	5.17	3.00	8.17
Additions relating to acquisitions	-	-	-
Disposals or classified as held for sale	-	-	-
Balance as at 31 March, 2024	5.17	3.00	8.17
II. Accumulated depreciation and impairment for the year 2023-24			
Balance as at 1 April, 2023	-	0.96	0.96
Depreciation expense for the year	-	0.12	0.12
Eliminated on disposal of assets	-	-	-
Eliminated on reclassification as held for sale	-	-	-
Balance as at 31 March, 2024	-	1.08	1.08
Net block (I-II)			
Balance as on 31st March 2024	5.17	1.92	7.09
Balance as on 31st March 2023	5.17	2.04	7.21



Notes to the financial statements for the year ended March 31, 2025

Notes:

- 1) Assets pledged as security:- Nil (Previous year -Nil).
- 2) There were no Income earned or expenditure incurred on the above Investment Property other than land revenue of Rs 0.10 Lakh (Pre. Year 0.10 Lakh). The fair value of the Property as per Valuation report issued by Mr. Feroz N Raaj, Government Approved Valuer is Rs. 22.11 lakhs.

Note No. 4 - Other Intangible Assets

₹ In lakhs

Description of Assets	Right of Way	Software	Total
Intangible Assets			
I. Cost or deemed cost			
Balance as at 1 April, 2024	757.13	218.32	975.46
Additions	-	20.11	20.11
Disposals or classified as held for sale	-	-	-
Balance as at 31 March, 2025	757.13	238.43	995.57
II. Accumulated depreciation and impairment for the year 2024-25			
Balance as at 1 April, 2024	-	109.14	109.14
Amortisation expense for the year	-	37.72	37.72
Eliminated on disposal of assets	-	-	-
Eliminated on reclassification as held for sale	-	-	-
Balance as at 31 March, 2025	-	146.86	146.86
Net block (I-II)			
Balance as on 31st March, 2025	757.13	91.58	848.71
Balance as on 31st March 2024	757.13	109.19	866.32

₹ In lakhs

Description of Assets	Right of Way	Software	Total
Intangible Assets			
I. Cost or deemed cost			
Balance as at 1 April, 2023	757.13	195.09	952.23
Additions	-	23.23	23.23
Disposals or classified as held for sale	-	-	-
Balance as at 31 March, 2024	757.13	218.32	975.46
II. Accumulated depreciation and impairment for the year 2023-24			
Balance as at 1 April, 2023	-	75.67	75.67
Amortisation expense for the year	-	33.47	33.47
Eliminated on disposal of assets	-	-	-
Eliminated on reclassification as held for sale	-	-	-
Balance as at 31 March, 2024	-	109.14	109.14
Net block (I-II)			
Balance as on 31st March 2024	757.13	109.19	866.32
Balance as on 31st March 2023	757.13	119.43	876.56

Notes:

- 1) The Company holds a Right of Way for laying Pipeline between Mangalore and Bangalore via Hassan. The cost of acquiring the right has been capitalised as Intangible Assets. The right is an indefinite(perpetual) right with no stipulation over the period of validity. Hence the same is not amortised.



Notes to the financial statements for the year ended March 31, 2025

Note 5 - Other Financial Assets

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Non-Current		
<i>Unsecured, considered good</i>		
Security Deposits	282.47	207.52
<i>Loans having significant increase in credit risk/ credit impaired</i>	-	-
Total	282.47	207.52
Current		
<i>Unsecured, considered good</i>		
Security Deposits	6.60	25.22
Interest accrued On Deposits	2,185.37	2,107.41
<i>Loans having significant increase in credit risk/ credit impaired</i>	-	-
Total	2,191.97	2,132.63

Note 5.1 - Loans

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Non-Current		
<i>Secured, considered good</i>		
Loans to Employees	8.46	-
<i>Loans having significant increase in credit risk/ credit impaired</i>	-	-
Total	8.46	-
Current		
<i>Secured, considered good</i>		
Loans to Employees	0.71	-
<i>Loans having significant increase in credit risk/ credit impaired</i>	-	-
Total	0.71	-

Note 6 - Income Taxes

Income tax expense in the statement of profit and loss comprises:

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Current tax for the year	3,004.43	3,310.15
Current tax for Prior years	13.31	0.00
Deferred taxes/ Liability	(122.82)	12.41
Income tax expense	2,894.92	3,322.56

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

Income tax expense in the statement of profit and loss comprises:

Notes to the financial statements for the year ended March 31, 2025

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Profit before income taxes	11,199.40	12,948.13
Enacted tax rates in India	25.17%	25.17%
Computed expected tax expense	2,818.67	3,258.78
Effect of non-deductible expenses	57.17	43.5
Effect of timing differences	128.59	7.87
Income tax expense	3,004.43	3,310.15

The applicable Income tax rate for financial year 2024-25 & 2023-24 is 25.168% as available U/s 115BAA - Tax on income of Certain Domestic companies as notified as per taxation Laws (Amendment) Act 2019.

The following table provides the details of income tax assets and income tax liabilities as of March 31, 2025, and March 31, 2024

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Income tax assets	77.91	-
Current Tax Liabilities (Net)	-	(103.24)
Net current income tax assets/ (liability) at the end	77.91	(103.24)

The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2025 and March 31, 2024 is as follows:

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Net current income tax asset/ (liability) at the beginning	(103.24)	16.78
Income tax paid	3,198.89	3,205.90
Income tax refund received	-	(15.77)
Current income tax expense	(3,004.43)	(3,310.15)
Current income tax for Prior years	(13.31)	-
Net current income tax asset/ (liability) at the end	77.91	(103.24)

The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Deferred income tax assets		
Gratuity payable to employees	50.45	42.73
Compensated absences	71.53	63.15
Deferred tax on account of leased assets	159.96	56.81
Others	-	-
Total deferred income tax assets	281.94	162.69
Deferred income tax liabilities		
Depreciation impact on PPE, Inv. Property and intangible assets	(1,685.31)	(1,690.71)
Others	-	-
Total deferred income tax liabilities	(1,685.31)	(1,690.71)
Deferred income tax assets after set off	(1,403.36)	(1,528.01)

Deferred tax assets and deferred tax liabilities have been offset as the Company has a legally enforceable right to set off current tax assets against current tax liabilities.

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences.



Notes to the financial statements for the year ended March 31, 2025

The gross movement in the deferred income tax account for the year ended March 31, 2025 and March 31, 2024, are as follows:

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Net deferred income tax asset at the beginning	(1,528.01)	(1,531.59)
Credits / (charge) relating to temporary differences	122.82	(12.41)
Temporary differences on other comprehensive income	1.83	15.99
Net deferred income tax asset (liability) at the end	(1,403.36)	(1,528.01)

Note 7 - Other Non Current Assets

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
<i>Unsecured, considered good</i>		
Capital advances		
Against Land	-	5.00
Advances other than Capital advances		
Prepaid Expenses	28.33	56.05
Prepaid Employee Benefit Exp	1.51	-
Others		
Court Deposit	21.03	1,447.03
<i>Loans Receivables which have significant increase in credit risk /Credit impaired</i>	-	-
Total	50.87	1,508.08

Note 7.1 - Current Tax Assets

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Current Tax Assets (Net)	77.91	-
Total	77.91	-

Note 7.2 -Current tax liabilities (Net)

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Income Tax liabilities (Net)	-	103.24
Total	-	103.24

Note 8 - Inventories

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
(At lower of cost and net realisable value)		
Stores and spares at site	322.00	265.84
Total	322.00	265.84

Note 9 - Trade Receivables

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Trade receivables, unsecured, considered good	3,812.32	1,860.59
Trade receivables, Which have significant increase in credit Risk	-	-
Trade receivables, -Credit Impaired	-	-
(A)	3,812.32	1,860.59
Less: Allowances for credit losses	-	-
(B)	-	-
Total (A-B)	3,812.32	1,860.59



Notes to the financial statements for the year ended March 31, 2025

Ageing for trade receivables - billed – current outstanding as at March 31, 2025 is as follows:

₹ In lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Lees Than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed						
Undisputed trade receivables						
– considered good	3,587.31	224.57	0.33	0.11	-	3,812.32
Undisputed trade receivables						
– which have significant increase						
in credit risk	-	-	-	-	-	-
Undisputed trade receivables						
– credit impaired	-	-	-	-	-	-
Disputed trade receivables						
– considered good	-	-	-	-	-	-
Disputed trade receivables						
– which have significant increase						
in credit risk	-	-	-	-	-	-
Disputed trade receivables						
– credit impaired	-	-	-	-	-	-
Total	3,587.31	224.57	0.33	0.11	-	3,812.32

Ageing for trade receivables - billed – current outstanding as at March 31, 2024 is as follows:

₹ In lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Lees Than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed						
Undisputed trade receivables						
– considered good	1,834.68	-	25.91	-	-	1,860.59
Undisputed trade receivables						
– which have significant increase						
in credit risk	-	-	-	-	-	-
Undisputed trade receivables						
– credit impaired	-	-	-	-	-	-
-						
Disputed trade receivables						
– considered good	-	-	-	-	-	-
Disputed trade receivables						
– which have significant increase						
in credit risk	-	-	-	-	-	-
Disputed trade receivables						
– credit impaired	-	-	-	-	-	-
Total	1,834.68	-	25.91	-	-	1,860.59



Notes to the financial statements for the year ended March 31, 2025

Note 10- Cash and cash equivalents

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Cash on hand	0.17	0.03
Balances with banks:		
In current accounts	405.78	241.71
Total	405.95	241.74

Note 11 - Bank Balance other than above

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Balances with banks:		
Bank Deposits for original maturity more than 3 months upto 12 months	42,552.83	43,489.88
*Balance held as security against performance and other guarantee	666.65	666.65
Total	43,219.48	44,156.53

Notes:

The deposits maintained by the company with banks comprise time deposit, which can be withdrawn by the company at any point without prior notice or penalty on the principal.

*Fixed deposit held as security against performance guarantee issued by ICICI Bank Limited to PNGRB vide PBG No 33110IGL0000420 for ₹ 639.00 lakhs & PTC India Limited vide PBG No 0002NDDG00030624 for ₹ 27.64 lakhs.

Note 12 - Other Current Assets

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Unsecured, considered good		
Advances other than Capital advances		
Prepaid Expenses	72.89	89.88
Prepaid Employee Benefit Exp	0.15	-
Advance for Expenses	0.10	0.87
Court Deposit	26.00	-
Advance to Employees & Others	-	38.58
Loans Receivables which have significant increase in credit risk/Credit impaired	-	-
Total	99.14	129.33

Note 13 - Assets classified as held for sale

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Project Surplus held for sale	333.27	333.27
	333.27	333.27
Liabilities associated with assets held for sale	-	-
	-	-

The Company intends to dispose of surplus materials used for the pipeline laying project, it no longer utilizes in the next 12 months. These materials are located at various plants and were purchased for use during construction of pipeline. Efforts are underway to dispose of the project surplus materials to Oil Companies. The Management of the Company expects that, the fair value (less cost to sell) is higher than the carrying amount.



Notes to the financial statements for the year ended March 31, 2025

Note 14 - Equity Share capital

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Authorised 60,00,00,000 (P.Y.- 60,00,00,000) equity shares of ₹ 10 each with voting rights	60,000.00	60,000.00
Total	60,000.00	60,000.00
Issued, subscribed and fully paid up 54,87,07,264 (P.Y.-54,87,07,264) equity shares of ₹ 10 each with voting rights	54,870.73	54,870.73
Total	54,870.73	54,870.73

Notes:

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period:

Equity shares with voting rights

Opening Balance	Opening	Fresh Issue	Other Changes	Closing Balance
Year Ended March 31, 2025				
No. of Shares	548,707,264	-	-	548,707,264
Amount (₹ In lakhs)	54,870.73	-	-	54,870.73
Year Ended March 31, 2024				
No. of Shares	548,707,264	-	-	548,707,264
Amount (₹ In lakhs)	54,870.73	-	-	54,870.73

(ii) Detail of the rights, preferences and restrictions attaching to each class of shares :

With respect to equity shares, company has only one class of equity share, having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to number of equity shares held by the shareholders.

(iii) Details of shares held by each shareholder holding more than 5% shares:

Particulars	No. of Shares	
	As at 31 March, 2025	As at 31 March, 2024
Equity shares with voting rights:		
Hindustan Petroleum Corporation Ltd	274,353,632	274,353,632
% of holding	50.000%	50.000%
Oil & Natural Gas Corporation Ltd	274,353,632	274,353,632
% of holding	50.000%	50.000%

(iv) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash for the period of 5 years immediately preceding the Balance Sheet date

Particulars	Aggregate Number of Shares	
	As at March 31, 2025	As at March 31, 2024
Equity shares with voting rights:		
Fully paid up pursuant to contract(s) without payment being received Cash	Nil	Nil
Total	-	-



Notes to the financial statements for the year ended March 31, 2025

(V) Disclosure of shareholding of promoters as at March 31, 2025 are as follows

Promoter Name	Shares held by promoters				% Change during the year
	As at March 31, 2025		As at March 31, 2024		
	No. of shares	% of total Shares	No. of shares	% of total Shares	
Oil & Natural Gas Corporation Ltd	274353632	50.000%	274353632	50.000%	-
Hindustan Petroleum Corporation Ltd	274353632	50.000%	274353632	50.000%	-

Disclosure of shareholding of promoters as at March 31, 2024 are as follows

Promoter Name	Shares held by promoters				
	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of shares	% of total Shares	No. of shares	% of total Shares	
Oil & Natural Gas Corporation Ltd	274353632	50.000%	274333672	49.996 %	0.00004
Hindustan Petroleum Corporation Ltd	274353632	50.000%	274333672	49.996%	0.00004

Note:- The entire equity shares of 39,920 equity shares held by ILFS Financial Services Ltd has been acquired by ONGC and HPCL equally on 20th July 2023.

Note 14.1 - Other equity

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Retained earnings	3,585.34	4,093.03
Total	3,585.34	4,093.03

14.1.1 - Retained earnings

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Balance at beginning of the year	4,093.03	3,486.37
Profit for the year	8,304.49	9,625.57
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(5.43)	(47.54)
Payments of dividends	(8,806.75)	(8,971.36)
Balance at the end of the year	3,585.34	4,093.03

Note 15 - Trade payables

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Non-Current		
Trade payable for goods & services		
(a) Dues of micro enterprises and small enterprises	-	-
(b) Dues of creditors other than micro and small enterprises	-	-
Total	-	-
Current		
Trade payable for goods & services		
(a) Dues of micro enterprises and small enterprises	438.79	91.72
(b) Dues of creditors other than micro and small enterprises	768.67	351.96
Total	1,207.46	443.68



Notes to the financial statements for the year ended March 31, 2025

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

₹ In lakhs

Trade Payable	Outstanding for following periods from due date of payment					Total
	Not Due	Lees Than - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(I) MSME	-	438.79	-	-	-	438.79
(ii) Others	-	595.77	-	-	12.18	607.95
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	-	1,034.56	-	-	12.18	1,046.74
Accrued Expenses						160.72
Total Trade payable						1,207.46

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

₹ In lakhs

Trade Payable	Outstanding for following periods from due date of payment					Total
	Not Due	Lees Than - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(I) MSME	-	91.72	-	-	-	91.72
(ii) Others	-	104.11	26.71	-	11.98	142.80
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	-	195.83	26.71	-	11.98	234.52
Accrued Expenses						209.16
Total Trade payable						443.68

Note 16 - Other Financial Liabilities

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Non-Current		
Deposits received from Dealers	-	0.66
Retention Money for capital supplies / services	16.18	16.75
Payables for capital supplies/services	-	640.28
Total	16.18	657.69
Current		
Deposits received from Dealers	4.71	17.08
Retention Money for capital supplies / services	286.59	192.62
Earnest Money Deposit	11.98	27.35
Dues to Employees & Others	4.81	15.84
Payables for capital supplies/services	274.00	188.83
Total	582.09	441.72



Notes to the financial statements for the year ended March 31, 2025

Note 16.1 -Lease liabilities

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Non-Current		
Lease liabilities	6,486.47	736.77
Total	6,486.47	736.77
Current		
Lease liabilities	534.38	73.82
Total	534.38	73.82

Note 17 - Provisions

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Non-Current		
Provision for employee benefits		
Provision for compensated absences	276.73	243.75
Provision for gratuity	191.23	161.55
Total	467.96	405.30
Current		
Provision for employee benefits		
Provision for compensated absences	7.46	7.14
Provision for gratuity	9.20	8.23
Provision for Performance Incentives	151.87	135.27
Total	168.53	150.64

Details of movement in provisions:

₹ In lakhs

Particulars	Gratuity Provision	Compensated absences	Performance Incentives
Balance at April 1, 2023	146.14	207.06	72.31
Additional provisions recognised	24.98	74.88	135.27
Amounts used (ie incurred and charged against the provision) during the period	(1.34)	(31.07)	(72.30)
Unused amounts reversed during the period	-	-	-
Balance at March 31, 2024	169.78	250.87	135.28
Balance at April 1, 2024	169.78	250.87	135.28
Additional provisions recognised	31.45	54.55	143.94
Amounts used (ie incurred and charged against the provision) during the period	(0.80)	(21.25)	(127.34)
Unused amounts reversed during the period	-	-	-
Balance at March 31, 2025	200.43	284.17	151.88

Note 18 - Other Current Liabilities

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Statutory dues		
Taxes payable (other than income taxes)	693.94	823.26
Total	693.94	823.26



Notes to the financial statements for the year ended March 31, 2025

Note 19 - Revenue from operations

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Sale of Services		
Freight Charges for Transportation of Petroleum Products	16,057.24	14,751.78
Dispatch charges	192.58	196.07
Other Operating Income	35.59	7.31
Total	16,285.41	14,955.16

Notes:

- i) The Freight Income is recognized based on the pipeline transportation tariff fixed by Petroleum & Natural Gas Regulatory Board (PNGRB) from time to time
 Freight Income is recognized based on the pipeline tariff rate as per the PNGRB Order No. TO/PPPL/2024-25/04 dated 20.05.2024 for period from 01.04.2024 to 30.06.2024 and Order No. TO/PPPL/2024-25/11 dated 18.09.2024 for the period from 01.07.2024 to 31.07.2024.
 The Freight Income for the period from 01.08.2024 to 31.03.2025 is recognized based on PNGRB revised Tariff Order No. TO/PPPL/2024-25/15 dated 28.11.2024 with a one time increased tariff @17% over previous tariff rate.
- ii) Earning in Foreign Currency ₹ Nil (Previous Year ₹ Nil)

Note 20 - Other income

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Interest Income		
On Financial Assets at Amortised Cost	3,944.07	3,494.10
Insurance Claim	11.90	3.64
Net gain on lease modification	238.66	-
Other Miscellaneous Incomes	125.15	115.11
Total	4,319.78	3,612.85
Interest income comprises of:		
Interest on Term Deposit	3,925.98	3,485.61
Interest on Security Deposit	13.46	8.49
Interest on Lease Deposit	4.28	-
Interest on Vehicle Loan	0.35	-
Total - Interest income	3,944.07	3,494.10

Note 21 - Employee benefit expense

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Salaries including Bonus etc.	866.77	861.40
Salaries including Bonus etc. for HPCL & ONGC Staff on Deputation	185.91	151.58
Contributions to provident fund	55.49	54.16
Gratuity	23.39	(37.75)
Staff welfare expense	4.32	3.64
Total	1,135.88	1,033.03

- i) Salary of Staff on deputation represents amounts debited by HPCL & ONGC. The above amount is reduced by 5 % of CSR expense towards CSR admin overhead of ₹ 10.35 lakhs (P.Y: ₹ 7.46 lakhs)



Notes to the financial statements for the year ended March 31, 2025

Note 22 - Finance costs

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Interest on Income Tax	6.92	15.27
Finance Charges on Lease	754.99	83.71
Total	761.91	98.98

Note 23 - Other expenses

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Power & Fuel	1,798.04	1,877.42
Repair & Maintenance on Plant and Machinery	139.47	115.77
Repair & Maintenance on Buildings	-	44.86
Repair & Maintenance - Electricals, ROW & Others	247.50	168.21
Operations and maintenance - Contract Manpower	159.76	143.29
Stores & Spares Consumed	93.94	105.46
Insurance Premium	120.58	145.72
Painting of Station Pipings And equipment's	66.14	0.46
Watch and Wards	347.73	340.33
Lease Rent	14.21	3.76
Compensation to CA(LAO) Staff	2.36	6.52
Communication Expense	38.20	32.13
Net Loss on disposal of Fixed Assets	-	0.83
Printing & Stationery	10.24	6.04
Professional and Consultancy Charges (Refer Note 23A below)	59.52	18.83
Rates and Taxes	28.28	27.07
Training, Recruitment, Seminar and Mock Drill Expenses	40.80	13.75
Travelling and Conveyance	63.59	51.62
Vehicle Hire Charges	110.85	100.20
Expenditure on corporate social responsibility (CSR) under section 135 of the Companies Act, 2013.	220.18	156.73
Advertisement for Public Tender	7.19	9.02
Other Expenses	94.20	44.78
Total	3,662.78	3,412.80

Note 23A - Legal and professional charges include payment to auditors

₹ In lakhs

(excluding GST)		
As auditors		
Statutory audit	2.75	2.50
For Taxation matters	0.70	0.75
For other services	1.20	1.35
Total	4.65	4.60

Note 24 - Settlement of Legal Claims

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Interest Paid for Settlement of Court / Arbitration Cases (Refer Note No 30)	2,403.46	-
Total	2,403.46	-

Notes to the financial statements for the year ended March 31, 2025

Note 25 - Employee Benefits

a. Defined Benefit Plan - Gratuity

Gratuity is payable for 15 days salary for each completed year of service. Vesting period is 5 years and the payment is restricted to ₹ 20 Lakhs on superannuation, resignation, termination, disablement or on death

The following tables set out the gratuity plans (unfunded) and the amounts recognized in the Company's financial statements as at March 31, 2025 and March 31, 2024:

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Change in benefit obligations		
Benefit obligations at the beginning	169.78	146.15
Service cost	12.18	11.02
Interest expense	12.01	10.75
Curtailment gain	-	-
Transfer of obligation	-	-
Remeasurements - Actuarial (gains)/ losses	7.26	63.53
Past Service cost*	-	(60.33)
Benefits paid	(0.80)	(1.34)
Benefit obligations at the end	200.43	169.78

*Past Service Cost of INR ₹ 60,33,207 is on account of Change in the benefit Ceiling limit from no limit to ₹ 20 Lakhs.

Change in plan assets		
Fair value of plan assets at the beginning	-	-
Interest income	-	-
Transfer of assets	-	-
Remeasurements- Return on plan assets excluding amounts included in interest income	-	-
Contributions	-	-
Benefits paid	-	-
Fair value of plan assets at the end	-	-

Amount for the year ended March 31, 2025 and March 31, 2024 recognized in the Statement of Profit and Loss under employee benefit expenses.

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Service cost	12.18	11.02
Net interest on the defined benefit obligation	12.01	10.75
Net gratuity cost	24.19	21.77

Amount for the year ended March 31, 2025 and March 31, 2024 recognized in statement of other comprehensive income:

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Remeasurements of the net defined benefit liability/ (asset)		
Actuarial (gains) / losses		
(Gain)/loss due to change in demographic assumptions	-	-
(Gain)/loss due to change in financial assumptions	(7.96)	(54.40)
(Gain)/loss due to experience adjustments	0.71	117.94
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	-	-
	(7.26)	63.54

Notes to the financial statements for the year ended March 31, 2025

The weighted-average assumptions used to determine benefit obligations as at March 31, 2025 and March 31, 2024 are set out below:

Particulars	As at	
	March 31, 2025	March 31, 2024
Discount rate	6.80%	7.25%
Salary escalation rate	5.00%	5.00%

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

b. Long-term employee benefits -Earned and Half Pay Leave Encashment

The following tables set out the leave plans and the amounts recognized in the Company's financial statements as at March 31, 2025 and March 31, 2024 :

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Change in benefit obligations		
Benefit obligations at the beginning	250.89	207.06
Service cost	17.53	19.12
Interest expense	17.93	14.31
Curtailment gain	-	-
Transfer of obligation	-	-
Remeasurements - Actuarial (gains)/ losses	19.09	41.46
Benefits paid	(21.25)	(31.06)
Benefit obligations at the end	284.19	250.89
Change in plan assets		
Fair value of plan assets at the beginning	-	-
Interest income	-	-
Transfer of assets	-	-
Remeasurements- Return on plan assets excluding amounts included in interest income	-	-
Contributions	-	-
Benefits paid	-	-
Fair value of plan assets at the end	-	-

Amount for the year ended March 31, 2025 and March 31, 2024 recognized in the Statement of Profit and Loss under employee benefit expenses.

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Service cost	17.53	19.12
Net interest on the defined benefit obligation	17.93	14.31
Actuarial (gains) / losses		
(Gain)/loss due to changes in demographic assumptions	-	-
(Gain)/loss due to changes in financial assumptions	13.30	6.82
(Gain)/loss from Plan experience	5.80	34.64
Curtailment gain	-	-
Net leave encashment cost	54.56	74.89

The weighted-average assumptions used to determine benefit obligations as at March 31, 2025 and March 31, 2024 are set out below:

Particulars	As at	
	March 31, 2025	March 31, 2024
Discount rate	6.80%	7.25%
Salary escalation rate	5.00%	5.00%

Notes to the financial statements for the year ended March 31, 2025

c. Defined Contribution Plans-Provident Fund & NPS

The Company makes contribution to Provident Fund which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised during year ending March 31, 2025 ₹ 55.49 lakhs (Year ended 31 March, 2024 ₹ 54.16 lakhs) for Provident Fund contributions in the Statement of Profit and Loss under the head Employee Benefits Expense. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

The Company had introduced NPS for its employees w.e.f 01 January 2023 within the overall limit of Retirement Benefit Scheme. The obligation of the Company is to contribute to NPS to the extent of amount not exceeding 30% of basic pay and dearness allowance as reduced by the employer's contribution towards provident fund and gratuity. The company made contribution during the year ending March 31, 2025, for ₹ 58.25 lakhs (Year ended 31 March, 2024 ₹ 59.72 lakhs) for National Pension Scheme (NPS)

Note 26 - Financials Instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2025 were as follows:

₹ In lakhs

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents (Refer Note 10)	405.95	-	-	-	-	405.95	405.95
Bank Balances other than Cash and cash equivalents (Refer Note 11)	43,219.48	-	-	-	-	43,219.48	43,219.48
Trade receivables (Refer Note 9)	3,812.32	-	-	-	-	3,812.32	3,812.32
Other financial assets (Refer Note 5 & 5.1)	2,483.61	-	-	-	-	2,483.61	2,483.61
Total	49,921.36	-	-	-	-	49,921.36	49,921.36
Liabilities:							
Trade payables (Refer Note 15)	1,207.46	-	-	-	-	1,207.46	1,207.46
Lease liabilities (Refer Note 16.1)	7,020.85	-	-	-	-	7,020.85	7,020.85
Other financial liabilities (Refer Note 16)	598.27	-	-	-	-	598.27	598.27
Total	8,826.58	-	-	-	-	8,826.58	8,826.58

The carrying value and fair value of financial instruments by categories as of March 31, 2024 were as follows:

₹ In lakhs

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents (Refer Note 10)	241.74	-	-	-	-	241.74	241.74
Bank Balances other than Cash and cash equivalents (Refer Note 11)	44,156.53	-	-	-	-	44,156.53	44,156.53
Trade receivables (Refer Note 9)	1,860.59	-	-	-	-	1,860.59	1,860.59
Other financial assets (Refer Note 5)	2,340.16	-	-	-	-	2,340.16	2,340.16
Total	48,599.02	-	-	-	-	48,599.02	48,599.02
Liabilities:							
Trade payables (Refer Note 15)	443.68	-	-	-	-	443.68	443.68
Lease liabilities (Refer Note 16.1)	810.59	-	-	-	-	810.59	810.59
Other financial liabilities (Refer Note 16)	1,099.41	-	-	-	-	1,099.41	1,099.41
Total	2,353.68	-	-	-	-	2,353.68	2,353.68



Notes to the financial statements for the year ended March 31, 2025

Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company has a small amount of international exposure on account of availing services. The exchange rate between rupee and dollar has changed in recent years and may fluctuate in future. However, the impact of this on the Company may not be significant.

The following table analyses foreign currency risk from financial instruments as on March 31, 2025 and March 31, 2024

Particulars	As at March 31, 2025			As at March 31, 2024		
	U.S. dollars	Euro	Total	U.S. dollars	Euro	Total
Cash and cash equivalents	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-
Net assets / (liabilities)	-	-	-	-	-	-

Credit risk

"Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ .Nil and ₹ Nil as of March 31, 2025 and March 31, 2024, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss.

Based on the past experience, the Company has negligible level of bad debts, as the receivables are mainly from 4 CPSE Customers with whom the Company has a long-term relationship. In practice, expected credit losses are so immaterial that no calculations or loss reserves are required at all. The Company has however, provided for expected credit loss based on lifetime credit loss in respect of old doubtful/disputed receivables. "

Liquidity risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no outstanding bank borrowings. The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Note 27 - Earning Per Share

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Basic Earnings per share	₹ Per Share	₹ Per Share
From continuing operations	1.51	1.75
From discontinuing operations	-	-
Total basic earnings per share	1.51	1.75
Diluted Earnings per share		
From continuing operations	1.51	1.75
From discontinuing operations	-	-
Total Diluted earnings per share	1.51	1.75



Notes to the financial statements for the year ended March 31, 2025

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Profit / (loss) for the year attributable to owners of the Company	8,299.06	9,578.03
Less: Preference dividend and tax thereon	-	-
Profit / (loss) for the year used in the calculation of basic earnings per share	8,299.06	9,578.03
Profit for the year on discontinued operations used in the calculation of basic earnings per share from discontinued operations	-	-
Profits used in the calculation of basic earnings per share from continuing operations	8,299.06	9,578.03
Weighted average number of equity shares	548,707,264	548,707,264
Earnings per share from continuing operations - Basic (Rs.)	1.51	1.75

Diluted earnings per share

The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock options and Convertible bonds for the respective periods, if any.

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Profit / (loss) for the year used in the calculation of basic earnings per share	8,299.06	9,578.03
Add: Interest expense and exchange fluctuation on convertible bonds (net) - adjusted for attributable taxes	-	-
Profit / (loss) for the year used in the calculation of diluted earnings per share	8,299.06	9,578.03
Profit for the year on discontinued operations used in the calculation of diluted earnings per share from discontinued operations	-	-
Profits used in the calculation of diluted earnings per share from continuing operations	8,299.06	9,578.03
Weighted average number of equity shares	548,707,264	548,707,264
Earnings per share from continuing operations - Diluted (Rs.)	1.51	1.75

The Company does not have any Instruments (including contingently issuable shares) that could potentially dilute basic earnings per share in the future, hence the Weighted average number of equity shares used in the calculation of Diluted EPS is same as that of Basic EPS.



Notes to the financial statements for the year ended March 31, 2025

Note 28 - Related party disclosures

Nature of relationship	Names of the related parties
Key management personnel (KMP)	Shri. Anuj Kumar Jain - Chairman (Appointment Effective 1st June 2024) Shr. Pankaj Kumar -Chairman (Resigned effective 1st June 2024) Shri. Sudhir Kumar -Managing Director (Appointment Effective 1st June 2024) Shri. Mukundan V. M. -Managing Director (resigned effective 1st June 2024) Shri. Subodh Batra - Director Shri. M. Shyamprasad Kamath -Director (resigned effective 12th July 2024) Shri. Ramesh Ramasamy - Director Shri C Sridhar Goud- Director (Appointment Effective 1st June 2024) Shri Neeraj Lal-Director (Appointment Effective 23rd April 2024) Smt Pinky Rai-Director (Appointment Effective 12th April 2024) Shri B Sudharshan (Appointment Effective 26th July 2024) Shri. Chandan Kumar Das - CFO(KMP) Shri.Sachin Jayaswal - Company Secretary(KMP)
Ultimate Holding Company	Oil and Natural Gas Corporation Limited
Fellow Subsidiary	Mangalore Refinery & Petrochemicals Limited
Investing Party	Hindustan Petroleum Corporation Limited

₹ In lakhs

Transaction between Related Parties	Year ended	
	March 31, 2025	March 31, 2024
Income		
Hindustan Petroleum Corporation Limited		
Freight Charges	8,193.39	8,714.99
Cost Sharing of 66KV EHT Line at Hassan	-	98.30
Cost Sharing for Settlement of Legal case-PLL	451.23	-
Mangalore Refinery & Petrochemicals Ltd		
Freight Charges Received	1,493.62	452.56
Dispatch Charges Received	215.69	219.60
Rent for Lease of Pipeline Received	2.36	2.36
Power Charges-Received	7.31	6.85
PLC Modification and Integration Charges	7.03	31.33
Expense		
Hindustan Petroleum Corporation Limited		
Land Lease Rent - Paid	646.82	158.96
Server Hosting Rent -Paid	3.50	3.50
Deputation Salary & Allowances- Paid	150.46	187.37
Training Fee Paid	0.17	1.23
Reimbursement of Drain Repair Cost	-	16.59
Lab Testing Charges Paid	11.26	6.05



Notes to the financial statements for the year ended March 31, 2025

₹ In lakhs

Transaction between Related Parties	Year ended	
	March 31, 2025	March 31, 2024
Mangalore Refinery & Petrochemicals Ltd		
Power Charges Paid	403.73	399.33
Training Fee Paid	0.22	-
Oil and Natural Gas Corporation Ltd		
Deputation Salary & Allowances- Paid	81.13	-
*Remuneration paid to KMP (On Deputation)		
Sudhir Kumar	68.75	-
Mukundan V M	39.66	81.57
Remuneration paid to KMP (others)		
Chandan Kumar Das	35.14	32.97
Sachin Jayaswal	33.57	31.91

Note:- All the above supply & services are including GST

* - Remuneration to Managing Director represents amounts debited by HPCL & ONGC for its Executive on deputation to the company and the entitlement released by PMHBL as per HPCL & ONGC rules

₹ In lakhs

Balances outstanding at the end of the year	As at	
	March 31, 2025	March 31, 2024
Trade Receivable		
Hindustan Petroleum Corporation Limited	1,834.48	1,273.80
Mangalore Refinery & Petrochemicals Limited	277.52	95.94
Trade Payables		
Hindustan Petroleum Corporation Limited	504.11	57.85
Oil and Natural Gas Corporation Limited	7.60	-
Other Financial Liabilities (Retention Money)		
Hindustan Petroleum Corporation Limited	-	1.29

Note 29 - Leases

The Company's Lease asset classes primarily consist of leases for Land and Building. 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 assets 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.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentive. They are subsequently measured at cost less accumulated Depreciation and impairment loss



Notes to the financial statements for the year ended March 31, 2025

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term of the underlying assets

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

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2025 :

₹ In lakhs

Particulars	Category of ROU			
	Lease Deposit	Land	Building	Total
Balance as at April 1, 2024	-	580.93	3.95	584.88
Assets Recognised on account of adoption of Ind AS 116	-	-	-	-
Additions	14.04	6,669.03	193.85	6,876.92
Decrease due to remeasurement of lease liabilities	-	-	-	-
Depreciation	4.30	418.30	63.25	485.85
Deletions	-	580.94	-	580.94
Balance as at March 31, 2025	9.74	6,250.72	134.55	6,395.01

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024:

₹ In lakhs

Particulars	Category of ROU		
	Land	Building	Total
Balance as at April 1, 2023	664.15	51.92	716.07
Assets Recognised on account of adoption of Ind AS 116	-	-	-
Additions	-	-	-
Decrease due to remeasurement of lease liabilities	-	-	-
Depreciation	83.22	47.97	131.19
Balance as at March 31, 2024	580.93	3.95	584.88

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liability as at March 31, 2025 and March 31, 2024

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
Non-current lease liabilities	6,486.47	736.77
Current lease liabilities	534.38	73.82
Total	7,020.85	810.59

The following is the movement in lease liabilities during the year ended March 31, 2025 and March 31 2024 :

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Balance at the beginning	810.59	930.13
Additions	6,862.88	-
Deletions	(819.60)	-
Finance cost accrued during the period	754.99	83.71
Payment of lease liabilities	(588.01)	(203.25)
Balance at the end	7,020.85	810.59



Notes to the financial statements for the year ended March 31, 2025

The table below provides details regarding contractual maturities of lease liabilities as at March 31, 2025 and March 31, 2024 on an undiscounted basis:

₹ In lakhs

Particulars	As at	
	March 31, 2025	March 31, 2024
not later than one year	544.39	146.78
later than one year and not later than five years	2,310.36	633.65
later than five years	14,207.74	363.24

The table below provides details regarding Amounts recognised in profit and loss.

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Depreciation expense on right-of-use assets	485.85	131.19
Interest expense on lease liabilities	754.99	83.71
Expense relating to short-term leases	14.21	3.76

The total cash outflow for leases for the year ended March 31, 2025 and March 31, 2024 amount to ₹ 588.01 Lakhs & ₹ 203.25 Lakhs.

Notes:

- The Company has executed lease agreements with HPCL on 18th March 2025 for the leased lands situated at Mangalore, Hassan and Devangunthi as per agreed revised lease rental effective from 1st January 2024. The revised ROU assets and lease liabilities has been recognised accordingly effective from 1st January 2024
- The lease rentals in respect of head office premises does not includes Fixed maintenance and Power backup charges for the purpose of payment of lease rent as being non lease component

Note 30 - Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities

I. Claims against the company not acknowledged as debt-with respect to: -

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
i) Petronet MHB Limited (PMHBL) v/s. Punj Lloyd Ltd (PLL) - Appeal Case lying with the High Court of Karnataka, Bangalore against the order of City Civil Court Bangalore and interim stay h as been granted - The Company has deposited ₹ 1,400 lakhs as court deposit. M/s. PLL submitted an application under Vivad se Vishwas Scheme II (Contractual disputes) on 12th Oct 2023 for their claim settlement. Settled during the year refer Note No (I) below	-	3,699.20
ii) Petronet MHB Limited (PMHBL) v/s. Punj Lloyd Ltd (PLL) - (Arbitration Case) – M/s. PLL filed Arbitration case against PMHBL in mainline pipe laying contract. Settled during the year refer Note No (I) below	-	2,566.22
iii) 127 Writ Petition cases filed by PMHBL at Hon'ble High Court of Karnataka, Bangalore against the order of Hon'ble District judge of Bangalore Rural District for compensation enhancement cases filed by ROU land owners. The Company has deposited ₹ 26.00 lakhs as court deposit. Settled during the year refer Note No (iii) below	-	52.00
iv) 01Writ Petition case filed by PMHBL at Hon'ble High Court of Karnataka, Bangalore against the order of Hon'ble District judge of Chickmagalur District for damages outside the ROU. The Company has deposited ₹ 21.03 lakhs as court deposit.	21.03	21.03
	21.03	6,338.45



Notes to the financial statements for the year ended March 31, 2025

Legal/ Arbitration Cases Settled during the year 2024-25

(i) Petronet MHB Limited Vs. Punj Lloyd Ltd Court Case and Arbitration Case:

The pending Court Case/ Arbitration Case with M/s. Punj Lloyd Ltd has been settled during the year under Vivad Se Vishwas Scheme -II (Contractual Dispute) with one time settlement of ₹ 3412.75 Lakhs including interest ₹ 2366.42 Lakhs disclosed as an exceptional items under Note No 24. Both Court and Arbitration cases has been disposed off and Court has issued Order for release of court deposit of ₹ 1400.00 Lakhs with interest if any in favour of the company. Accordingly, the Registrar, High Court of Karnataka refunded the Court deposit along with Interest. The settlement amount has been accounted in the books of accounts including interest received on court deposit. As per ROU sharing agreement with HPCL, a portion of HPCL share of above settled amount of ₹ 451.23 Lakhs collected from HPCL and accounted

(ii) Arbitration Case with M/s. Pratham Integrated Engineering Solutions Private Limited

The pending Arbitration case with M/s. Pratham Integrated Engineering Solutions Private Limited has been settled with one time settlement of ₹ 94.90 Lakhs including interest of ₹ 37.04 Lakhs disclosed as an exceptional items under Note No 24

(iii) 127 Writ Petition Cases at Hon'ble High Court of Karnataka, Bangalore

The pending 127 Writ Petition cases filed by PMHBL at Hon'ble High Court of Karnataka, Bangalore against the order of Hon'ble District judge of Bangalore Rural District for compensation enhancement cases filed by ROU land owners wherein, the Company has deposited ₹ 26.00 lakhs as court deposit.

The High Court of Karnataka, Bangalore vide Order dated 16th December 2024 dismissed entire 127 writ petition cases and issued Order in favour of the company and advised to transmit the court deposit to the company

II. Appeal against Order of Income Tax :

Income Tax Case - AY 2016-17 : Appeal filed with CIT(Appeal) against Order of AO u/s. 143(3) for disallowing Depreciation on Right of Way (being ₹ amount paid to Forest Department for regularisation of Forest Land) of 60 Lakhs and raised demand of 30.40 Lakhs and 6.08 Lakhs being 20% of demand amount withheld from the refund due to Company. Fresh submission made for completion of faceless Assessment, however Order from CIT (Appeal) is awaited.

III. Capital Commitments:

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances if any)	154.51	200.71

Note 31 -Performance bank Guarantee:

- Performance Bank Guarantee of ₹ 639 lakhs has been given by the company in favour of Petroleum & Natural Gas Regulatory Board towards 1% cost of the pipeline project as security deposit for meeting the quality of service obligations and requirement of PNGRB during operating phase. The Bank Guarantee is renewed from time to time and presently valid till 5th May 2026.
- Performance Bank Guarantee of ₹ 27.64 lakhs has been given by the company in favour of M/s PTC India Limited towards 18 days of contracted energy bill as security deposit for purchase of power from Indian Energy Exchange on behalf of the Company valid till 5th May 2026.



Notes to the financial statements for the year ended March 31, 2025

Note 32 - Disclosures required for Micro, Small and Medium Enterprises

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	438.79	91.72
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Dues to Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company

Note 33 - 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. The areas for CSR activities are promoting health care and sanitation, promoting education, employment enhancing vocation skills and livelihood enhancement project, promoting Women empowerment, promoting Environmental sustainability & conservation of Natural Resources and Promoting Rural Development.

A CSR committee has been formed by the company as per the Act. The funds were utilized through the year on the activities which are specified in Schedule VII of the Companies Act, 2013. Greater emphasis was given during the year on Promoting Education.



Notes to the financial statements for the year ended March 31, 2025

Breakup of amount spent during the year on CSR Activities as follows :

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
1. Amount required to be spent by the company during the year,	216.27	176.87
2. Amount of expenditure(incurred including Carry over Current year ₹ Nil Previous year ₹ 22.33 Lakhs)	220.18	179.06
3. Shortfall at the end of the year	-	-
4. Total of previous years shortfall	-	-
5. Reason for shortfall	NA	NA
6. Nature of CSR activities :		
Promoting Heath Care & Sanitation	85.86	92.96
Promoting Education, Employment enhancing Vocational Skills and Livelihood enhancement Projects	123.84	56.31
Administration Exp	10.48	7.46
Total	220.18	156.73

Note 34 - Operating Segments

The Company has only one single reportable segment i.e. Transportation of Petroleum Products of Oil Marketing Companies (OMCs').

₹ In lakhs

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Revenue from External Customers		
Within India	16,249.82	14,947.85
Outside India	-	-
Non Current Assets		
Within India	19,271.22	15,000.44
Outside India	-	-
Information about Major External Customers		
Major External Customer No. 1	7,315.53	7,781.25
Major External Customer No. 2	4,054.31	3,449.07
Major External Customer No. 3	3,353.81	3,117.39



Notes to the financial statements for the year ended March 31, 2025

Note 35-Interim Dividend

Current Year 2024-25:

The Company has declared and paid 1st Interim Dividend to Shareholder during the year 2024-25 @ ₹ 0.74 per equity share totalling ₹ 4060.43 Lakhs out of surplus in Profit and Loss account as on 31.03.2024 and also paid 2nd Interim Dividend to Shareholder during the year 2024-25 @ ₹ 0.865 per equity share totalling ₹ 4746.32 Lakhs out of current year Profits .

Previous Year 2023-24:

The Company has declared and paid 1st Interim Dividend to Shareholder during the year 2023-24 @ ₹ 0.635 per equity share totalling ₹ 3484.29 Lakhs out of surplus in Profit and Loss account as on 31.03.2023 and also paid 2nd Interim Dividend to Shareholder during the year 2023-24 @ ₹ 1.00 per equity share totalling ₹ 5487.07 Lakhs out of current year Profits .

Companies is required to pay /distribute dividend after deducting applicable withholding income taxes

Note 36-Ratios

Ratio	Numerator	Denominator	Current year	Previous Year	Variance
Current Ratio (in times)*	Total Current Assets	Total Current Liabilities	15.73	23.96	-34.33%
Return on Equity	Net Profit after Tax- Preference dividend(if any)	Average Shareholder's Equity	14.14%	16.41%	-13.80%
Trade receivable turnover Ratio(in times)**	Revenue from operation	Average trade receivable	5.74	8.31	-30.87%
Trade Payable turnover Ratio(in times)	Other expenses & Settlement of Legal Claims	Average Trade payable	7.35	7.81	-5.96%
Net Capital turnover Ratio (in times)	Revenue from operation	Average Working Capital (i.e. total current assets less total current liabilities)	0.35	0.32	7.24%
Net profit ratio in %	Net profit after Tax	Revenue from operation	50.99%	64.36%	-20.77%
Return on Capital Employed (in %)	Profit before tax and finance cost	Capital employed = Net worth + lease liabilities + deferred tax liabilities	17.88%	21.28%	-15.97%

Note :- * Variation is due to increase in Current lease liabilities

** Variation is due to increase in trade receivable

Note 37

Previous year's figures have been regrouped where necessary to conform to those of the current year's classification.

The accompanying notes 1 to 37 form an integral part of the financial statements.

As per our report of even date attached

for **A.R. Viswanathan & Co.**

Chartered Accountants

Firm Registration Number: 04765S

Shraddha A V

Partner

Membership Number: 227999

UDIN No.: 25227999BMKZXG3760

for and on behalf of the Board of Directors of
Petronet MHB Limited

Sudhir Kumar

Managing Director

DIN: 10644833

Ramesh Ramasamy

Director

DIN: 10304253

Chandan Kumar Das

Chief Financial Officer

Sachin Jayaswal

Company Secretary

Place : Bangalore

Date : 19/04/2025



हिन्दी संस्करण (मूल कविता)

PMHBL प्यारा परिवार हमारा, सबसे प्यारा परिवार हमारा ।
 28th निगमन वर्ष की खुशिया आज मनाएंगे, PMHBL की कामयाबी को
 और बढ़ाएंगे ॥
 PMHBL ने HSE पॉलिसी, IMS पॉलिसी, Quality पॉलिसी, Energy
 पॉलिसी ।
 RISK पॉलिसी के साथ ERDMP, IQCM और ISMS को अपनाया है ।
 अपनी SAFETY में कामयाबी को उच्च शिखर तक पहुंचाया है ॥
 Highest Thruput के लिए डबल पंप चलाया है ।
 ATF और MS को DKN तक पहुंचाया है ॥
 दिन प्रतिदिन नये लक्ष्य को पाया है ,स्वचालित SV स्टेशन भी बनाया है ।
 CSR के माध्यम से आम जनता के दिलों में भी सम्मान पाया है ॥
 आओ हम सब मिलकर एक कदम और बढ़ाये ।
 HSN के pump को दौड़ा कर 5. 6 MMT के लक्ष्य को पाए ।
 PMHBL की कामयाबी में चार चाँद लगाये ॥

धन्यवाद

कविता: राजीव गुप्ता, वरिष्ठ प्रबंधक
 PMHBL



Petronet MHB Limited

CIN: U85110KA1998GOI024020

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